

OCTOBER 1958

Marxism Today

JAN AUERHAN

E. FROW

J. WETHERBY

CADMUS

I. POTHEKIN

R. PAGE ARNOT

DISCUSSION ON:

DAVE BOWMAN

A. H. LEGGE

JOHN SHERRIFF

AUTOMATION AND ITS CONSEQUENCES
UNDER CAPITALISM

ROBERT OWEN

A NOTE ON MANAGERIAL DIRECTORSHIP

THE SHAPE OF ENTERTAINMENT TO COME

THE FORMATION OF NATIONS IN AFRICA

ACADEMIC WHITEWASH

"WHITHER TRADE UNIONISM?"

Monthly 1/6

Marxism Today

Vol. 2

No. 10

CONTENTS

Jan AUERHAN	Automation and Its Consequences Under Capitalism ... 289	page
	Examines a number of statements on this question.	
E. FROW	Robert Owen ... 296	
	A study of Robert Owen's development in connection with the centenary of his death.	
J. WETHERBY	A Note on Managerial Directorship ... 300	
	Examines the question of who directs the directors.	
CADMUS	The Shape of Entertainment to Come ... 303	
	Study of new developments in film technique.	
I. POTHEKIN	The Formation of Nations in Africa ... 308	
	Analyses the development from tribe to nation.	
R. PAGE ARNOT	Academic Whitewash ... 315	
	Reviews a new book on the political crisis of 1931.	
DISCUSSION ON	"Whither Trade Unionism?" ... 318	
Dave BOWMAN		
A. H. LEGGE		
John SHERRIFF		

Editor John Gollan

Assistant Editor
James Klugmann

Editorial Board
Professor J. D. Bernal
Emile Burns
Les Burt
Maurice Cornforth
Maurice Dobb
Arnold Kettle
John Lewis
John Mahon
Frank Stanley
Professor George Thomson
John Wood

Editorial correspondence
James Klugmann,
16 King Street, W.C.2.

Advertisements
Margaret Williamson,
above address.

Orders and Subscriptions
usual agents or
Central Books Ltd.,
37 Grays Inn Road,
London, W.C.1.

Subscription rates
Six issues 10s. 6d.
Twelve issues 21s.

Automation and its consequences

Jan Auerhan

IN recent years the word “automation” has been heard with increasing frequency throughout the world; the problems arising from automation have been the subject of an increasing number of national and international scientific, technical, economic, trade union, sociological and many other types of conference and meeting.

What is the reason for this universal interest?

Automation does indeed constitute a real leap forward in the development of the productive forces of society, a qualitatively new stage in technological progress, a new phase in the development of mankind’s mastery over nature. Automation can be considered as a most important component part of the great technological revolution now beginning which is bound to have a tremendous influence on the living conditions of all mankind.

Although still in its infancy, automation is already having a substantial economic effect. An average increase of from two- to ten-fold in the productivity of labour is being achieved. In some instances, the increases are of the order of thirty- or fifty-fold or more. Automation is substantially reducing production costs, in many cases by from 30 per cent to 60 per cent, and making possible substantial economies in production space (an average of 25 per cent to 50 per cent). The increase in production per unit of investment is in the majority of cases considerably greater in automation than in non-automated processes. By greatly reducing production times, automation is leading to a sharp increase in the turnover of working capital. It is making machinery safer, reducing the number of accidents etc.

Automation makes it possible to develop new production processes which would be impossible without it—processes, for example, which take place under conditions dangerous for human life or which, because of their speed, cannot be controlled by the worker.

By raising the productive forces of society to a qualitatively new and higher level, automation creates the material and technical prerequisites for general abundance and for a sharp improvement in mankind’s living standards.

But all this is only *potential*. The practical realisation of all these possibilities depends entirely

upon the relations of production. The tempo and scale of the introduction of automation, and particularly its social and economic consequences, differ radically under socialism and under capitalism. Only socialism can take full advantage of all the achievements of present-day science and technology and use them for the welfare of mankind.

Capitalism is approaching the introduction of automation during the last stage of its historical development, in the epoch of the general crisis of the capitalist system. Automation further exacerbates all the contradictions of this mode of production. Under capitalism the development of automation is contradictory, and constantly comes into conflict with the narrow framework of capitalist production relations. The consequences of the capitalist application of automation are at variance with the possibilities which are being created.

Automation reveals the unsoundness of the capitalist system with exceptional clarity. It helps create a situation in which the building of a socialist society increasingly becomes a vital necessity.

* * *

Bourgeois economists are trying to depict the consequences of automation under capitalism in Hollywood Technicolor. Automation will be a “real blessing” for the working class, claims Smith, the president of the American Steel Improvement and Forge Co. (Conference Internationale du Travail, 39e Session, *Compte-rendu des travaux*, No. 24, p. 407, Geneva, 1956). It “will revolutionise the distribution of private property” and “will convert workers into shareholders”, supplements the Uruguayan leader Piriz Coelho (International Labour Conference, 40th Session, *Provisional Record*, No. 13, p. 235, Geneva, 1957). These advertising agency panegyrics reached their apogee in a leaflet issued by the American National Association of Manufacturers. “We stand on the threshold of a golden future,” it proclaims. “The worker should await it with hope, not fear. Automation is the magic key to the creation of wealth, and not a crude instrument of destruction; the worker’s talent and knowledge will continue to be rewarded in the coming fabulous earthly paradise. . . . Served by the infallible, tireless activity of automa-

tion, guided by electronic instruments, the magic carpet of our free economy is advancing towards horizons of which we have never even dreamed" (*National Association of Manufacturers: Calling All Jobs*. Introduction to the Automatic Machine Age, New York, November 1954, p. 21).

Aided by this sort of publicity stunt, bourgeois economists are trying to give the impression that automation will cure all the ills of capitalism, put an end to unemployment, and lead to eternal prosperity, class harmony etc. The bourgeois apologists are using automation as a new basis for their old theories regarding a "crisis-free", "reborn", "planned", "people's" capitalism.

Reformist "theories"

The reformist "theoreticians", joining in the chorus, are also trying to polish up their "theory" of the gradual "growing over" of capitalism into socialism. They assert that automation is of itself capable, without class struggle or social revolution, of creating a new welfare society. For example, speaking at the Congress of the West German Social Democratic Party in Munich in 1956, Carlo Schmid, one of its theoreticians, said:

"Has our time really created not merely new but revolutionary relations of production? In my view, yes. The possibility of releasing unprecedented amounts of energy by the fission or enrichment of atoms, the automation of many production processes, the electronic brain—these are things with which there is no comparison in past relations of production. . . . Here it is not only methods of production which are changing, but of itself, without any link with what has gone before, a technology is emerging which is radically changing our social system, our political forms of life and even man's very forms of existence" (Carlo Schmid, *Die zweite industrielle Revolution*, München, 1956, p. 2-3).

All this noisy propaganda campaign is designed to lull the vigilance of the working class and break its resistance to capitalist methods and the consequences of the introduction of automation, divert it from the struggle for socialism and at the same time "prove" that Marxism is "outdated".

But these efforts are not achieving any success. Not only among the working class but even among some bourgeois scholars warning voices are being increasingly heard expressing serious alarm regarding the consequences of automation under capitalism.

The International Secretary of the A.F.L.-C.I.O., Delaney, told the I.L.O. in 1956 that

"the new machinery can free man from routine and the monotony of labour, but it can also deprive him of work and wages. It can substantially improve living standards and create general abundance, but

it can also be the cause of growing surpluses which cannot be utilised because the consumer will not have the necessary purchasing power. It is at present impossible to say whether automation will lead to abundance or, on the contrary, to poverty" (Conference Internationale du Travail, 39e Session . . . p. 390).

We may also quote Professor Norbert Wiener, the American mathematician and one of the founders of cybernetics, the science of automation. "It is perfectly clear," he wrote in 1954, "that this [automation—J. A.] will produce an unemployment situation with which . . . even the depression of the 1930's will seem a pleasant joke" (Norbert Wiener, *The Human Use of Human Beings*, Eyre and Spottiswoode, London, 1954, p. 162).

* * *

Large-scale automation is only just beginning. It is still (with certain exceptions) the advance guard and not the socially average technology. Its consequences are as yet appearing only on the scale of individual factories or, at the most, individual branches of industry. But these examples nevertheless clearly indicate the threat hanging over the working class of the capitalist countries.

In 1955, 200 workers were employed in a semi-automated factory producing 1,000 radios a day in Cleveland, U.S.A. Today, following the introduction of complete automation, the factory is manned by only four engineers (Otto Brenner, "Automatisierung und Wirtschaftsmacht." *Gewerkschaftliche Monatshefte*, No. 4, April 1958, p. 198). As a result of the recession at the end of 1953, 40,000 workers were laid off at the Pittsburgh iron and steel mills. Then steel output again rose, surpassing the previous maximum in 1955. But only 14,000 got their jobs back (S. Lilley, *Automation and Social Progress*, Lawrence and Wishart, London, 1957, p. 117).

Unemployment Must Result

As a result of automation in U.S. oil refining, the number employed in the industry fell from 147,000 in 1948 to 137,000 in 1954, although production went up by 22 per cent in the same period ("The Challenge of Automation". Papers delivered at the National Conference on Automation, C.I.O. Committee on Economic Policy, *Public Affairs Press*, Washington, 1955, p. 41). The view is being expressed that in the near future machines will replace 80 per cent of the secretaries, accountants, typists, book-keepers and other office workers.

Bourgeois economists cannot, of course, deny the large-scale laying-off of workers as a result of automation. They argued that they will be able to

find work in the factories producing the means of automation. The whole question, it is argued, is one of laying the organisational ground work for the transference of the laid-off workers into the rapidly developing branches of industry—electronics, engineering, electro-technical etc.

It stands to reason that the transference of workers from one branch of industry to another is by no means a “merely organisational question”. It causes many problems which in the capitalist world are solved at the expense of the working class. The production of the means of automation has, of course, been so far developing in all industrialised countries at a rapid pace. But, firstly, this development is in part the result of a switch-over from the production of “conventional” equipment to the production of automatic plant. The number of workers is not increasing. Secondly, automation is also being introduced into the branches producing the means of automation. This will undoubtedly be increasingly the case in the future. From this it follows that there is no direct link between the increase in the manufacture of automatic plant and the growth of employment in this branch. (A major American firm manufacturing many types of automatic plant, Westinghouse Electric, in 1954 increased production by 3 per cent and profits by 13 per cent as compared with 1953. But the number it employed fell by 4 per cent. See: “Automation and Technological Change”. *Hearings before the Sub-Committee on Economic Stabilisation of the Joint Committee on the Economic Report*. Congress of the U.S.A., U.S. Government Printing Office, Washington, 1955, p. 226.)

Let us suppose that an employer purchases a machine costing \$120,000, £120,000, or DM120,000. This machine does the work of twenty-four men, whose annual wages are also \$120,000, £120,000 or DM120,000—that is, the annual wage of one worker is 5,000 units. According to the arguments of bourgeois economists, these twenty-four workers who have been replaced by the machine must find work in the manufacture of such machines. But the price of the machine is not merely wages (V) but also the cost of the means of production necessary for its manufacture (C) and surplus value (M). Let us suppose that the price of the machine is made up as follows: 80,000 plus 20,000 plus 20,000. Given the same wage of 5,000 units, only four men will be employed in the manufacture of the machine doing the work of twenty-four.

The example is, of course, greatly simplified. The cost structure of capital and also the rate of surplus value will probably be higher, while the service life of the machine will be longer and the time taken to produce it less than a year. In the example the price of the machine is also equal to the saving in wages. In fact, however, as was rightly noted

by Carlo Schmid, “the economy will not reduce production costs in order to create new ones” (Carlo Schmid, op. cit., p. 18).

The “Theory of Compensation”

This argument of the bourgeois economists is basically only a new version of the vulgarised “theory of compensation”, which Marx so brilliantly refuted almost a century ago.

Other bourgeois economists argue that hitherto the capitalist economy has “adapted itself” to technological developments. Technological developments allegedly reduce prices and thus increase demand; as a result of technological developments new branches of production grow up and the social division of labour increases. Therefore, technological progress is allegedly always accompanied by an increase in the general level of employment.

Nor is there anything new in these assertions. Here in slightly amended form we have the “theory” of Say and Mill—a “theory” long ago exposed by Marxism, and which even many bourgeois scholars view with reserve.

Firstly, if the capitalist economy has in fact “adapted itself” to technological developments, this “adaptation” has always been accompanied by economic crises and a sharp increase in unemployment. Secondly, even if technological development has hitherto ultimately led to an increase in the general level of employment, it by no means follows that this will be the case with automation. Automation is being introduced much more rapidly than any previous technological innovation. It in greater or lesser degree affects all branches of the economy, whereas in the past the main innovations affected only a single branch. Finally, automation increases the productivity of labour to an incomparably greater extent. Therefore, in the words of Senator O’Mahoney of the Democratic Party, “whether or not a given bit of technical advancement actually creates as many jobs as it wipes out, no one can know” (Senator Joseph C. O’Mahoney, “Public Policy Implications”, *The Challenge of Automation*, p. 5).

We may cite the view of one of the most extreme British representatives of the school of vulgar economics, Paul Einzig. He makes use of both of the above arguments. But he admits that “it would be unwise to overemphasise the employment potentials in these new industries and assume that their growth will be sufficient to take care of displacements in the older industries”. He offers additional alternatives to those who lose their jobs as a result of automation: (1) the demand for artists of all sorts will grow; (2) those who lose their jobs in industry can find work in agriculture; (3) women can simply become housewives;

(4) all unemployed can emigrate from Britain (Paul Einzig, *The Economic Consequences of Automation*, London, 1957, pp. 58-60). Good advice is better than gold, as the saying goes.

* * *

Unemployment is, of course, by no means an inevitable consequence of automation. The fact that as a result of automation the amount of labour power needed for a certain operation falls sharply is a progressive phenomenon indicative of an increase in the productivity of social labour, showing that society as a whole is becoming richer and that as a result each member of it can consume more. Automation in an individual factory reduces labour power. In order that the laid-off workers should not become unemployed and that the growth of the productivity of labour in one factory should at the same time mean an increase in the productivity of social labour, either a corresponding increase of production in the automated factory or the transfer of the workers to other factories is necessary. From the point of view of society as a whole (bearing in mind also the annual population increase), this simply means that the rates of growth of social production must exceed the rates of growth of the productivity of labour in the national economy.

The extensive introduction of automation throughout the national economy therefore gives rise to the need for either hitherto unprecedented rates of growth in social production or for a sharp reduction in working time (a shorter working day, longer paid holidays etc.), or for a change in the relation between the number engaged in productive and non-productive fields (an increase in the number of scientific, health and cultural workers etc.) or for a reduction in the percentage of the total population engaged in work (lengthening the period of compulsory education, earlier pensions etc.).

All this opens up great prospects before human society. For the first time in the history of mankind the prerequisites are being created for, to use the words of Marx, the emancipation of the production of the material wealth of society from dependence upon the working time which society has at its disposal.

Automation not only makes it possible sharply to increase the rates of growth of social production, reduce working hours etc.; it in fact needs these things. Without the observation of a certain proportion between the degree of automation, the development of social production, the reduction of working hours etc., automation will inevitably lead to overproduction and unemployment on scales hitherto unknown.

Social Planning Necessary

But in order that this elementary proportion should be observed, social planning of the entire national economy is necessary, and hence social ownership of the means of production—that is, socialism.

Under capitalism the level of automation and the growth of production are not directly dependent upon each other. The purpose of automation under capitalism is to increase profits, not to improve the general well-being and the living standards of the workers. Walter Reuther, Vice-President of the A.F.L.-C.I.O., in this connection remarked: "You can say a lot of things about General Motors, but it is not known as being a great philanthropic organisation. It certainly is not introducing automation just to lessen the production line" (*The Challenge of Automation*, p. 487). In so far as increased profits can most easily be obtained by wage economies, the immediate aim of automation under capitalism is to reduce the wages bill—that is, to make it possible to dismiss workers. Many bourgeois writers are quite frank on this score. The American sociologists Faunce and Sheppard, for example, write that "the rational meaning of the introduction of automatic machines in industry is that they lead to very substantial reductions in wages expenditure per unit of production" (W. A. Faunce and H. L. Sheppard, *Automation—Some Implications for Industrial Relations, Transactions of the Third World Congress of Sociology*, Vol. I, Part 1, 1956, p. 167). Under capitalism, automation, in emancipating the production of the material wealth of society from dependence upon the working time which society has at its disposal, "emancipates" the worker from his wages.

Magnus Pyke, the British scholar, showed what the whole point is. "In the United States, where the progress towards 'automation' is further advanced than it is in Great Britain," he writes, "the gradually increasing freedom from the need to do paid work is being called 'technological unemployment'" (Magnus Pyke, *Automation. Its Purpose and Future*, London, 1956, p. 179).

The term "technological unemployment" is older than automation. Bourgeois economic literature has previously tried to put the responsibility for unemployment upon technological progress. The very appearance of such a term shows what are the consequences of technological progress under capitalism. Automation does not create any new problems in this connection. It merely multiplies and exacerbates the old problems and contradictions of capitalism.

Even under capitalism automation does not in every case of necessity cause unemployment. In a new factory, automation even results in an increase

in the number of employed but an increase less than that which would take place if it were equipped with "traditional" plant. The automation of an existing factory, if accompanied by a corresponding increase in output, only results in the factory increasing its output with the same number of workers. Such examples do exist and bourgeois economists use them to "prove" that automation under capitalism does not cause unemployment.

Automation under capitalism can even coincide with a corresponding increase in production. Such a coincidence is, however, completely accidental. In fact automation increases the threat of unemployment not only directly—that is, in the factory where automation is introduced—but also indirectly, at other non-automated factories in the same or related branches which cannot compete with automated undertakings.

The working class in the capitalist countries is preparing to resist the consequences of automation. It is because of this that bourgeois political economists have been trying of late to confuse the issue, to conceal the scale and potential of automation, to mislead the working class and "calm" public opinion.

More Than a New Machine

Automation is simply "a synonym for advanced mechanisation," claims Einzig, for example (Paul Einzig, op. cit., pp. 2-3). "Automation began on the day that man invented the wheel," says the previously quoted American businessman Smith, developing the same thought (Conference Internationale du Travail. 39e Session). Automation is simply another "naughty word," "a mere matter of semantics," says another American industrialist, Hollengreen, the President of the National Tool Builders' Association (*The Challenge of Automation*, p. 70). It remained to take only one step, and it was taken: General Motors issued a directive forbidding its workers and office staff to use the "dirty word" automation (ibid., p. 59).

"At present interest tends to be focused on the possibility of automation causing unemployment; but this is unlikely to be a serious problem if its introduction is not too rapid . . . if firms keep redundancies to a minimum . . . and if a state of full employment continues so that the redundant workers can be quickly reabsorbed," writes a semi-official British Government paper (*Automation. A Report on the Technical Trends and Their Impact on Management and Labour*, London, 1956, p. 81). In other words, if automation is not introduced too quickly, then its results will not be great; if no workers are dismissed, there won't be unemployment; if there is full employment, unemployment will not be a major problem. The solution is indeed brilliant.

The organisers of this campaign to reassure public opinion are, of course, well aware that automation is not just "simply a new word", that its potentialities are tremendous and that as a result of competitive pressure, it is being introduced very rapidly. ("The American General Electric Corporation produced a pamphlet on automation: the employer must automate to stay alive." See: S. Lilley, op. cit., p. 111.) They are also aware that under capitalism the result will be increased unemployment. Furthermore, capitalists consider that this is one of the advantages of automation. "Automation," declared one of the directors of a leading American motor company, "is an operation that removes a man from production. But don't use my name" (*The Machinist*, Dec. 24th, 1954, p. 2,314).

The bourgeois is today well aware that mass unemployment can have disastrous consequences for the whole of capitalism. Its ideal is "moderate" unemployment—"moderate" enough not to threaten the capitalist system, but at the same time big enough to break the working class resistance to increasing exploitation. The British Employers' Confederation has even given a precise definition of its ideal: in September 1955 it declared that the British economy would be "healthier" if there was a "moderate" amount of unemployment—3 or 4 per cent of the working population—or, say, three-quarters of a million (Lilley, op. cit., pp. 132-133).

Automation in the hands of the capitalists is, therefore, a weapon against the Labour movement and the trade unions. Einzig—his book is outstanding for its cynicism—bluntly declares that "the replacement of man by machine is liable to weaken the bargaining power of trade unions that have been artificially strengthened by the post-war security of labour".

"Labour shortage" or, as Einzig describes it elsewhere, "overfull employment" (the bourgeois economic terms "full employment" and "overfull employment" do not, of course, by any means indicate the absence of unemployment but on the contrary presuppose a certain number of unemployed necessary to capital. In 1955, when the bourgeois economists of all the industrially developed capitalist countries were talking loudly about "full" and a "too-high level" of employment there were, for example, 928,000 unemployed in Federal Germany, 243,000 in Britain, 158,000 in France, 2,654,000 in the U.S.A. etc., according to figures published by the I.L.O. See D. A. Morse, Rapport du Directeur General, Conference Internationale du Travail. 39e Session. Geneva, 1956, p. 25.) and frequent "irresponsible strikes". "By mitigating overfull employment automation contributes towards the restoration of industrial discipline and tends to discourage irresponsible

strikes" (Einzig, op. cit., pp. 174, 51, 71).

This is the "earthly paradise" which automation is to create for the working class.

* * *

A conference of experts, on the productivity of labour in the manufacturing industry from a number of capitalist countries, held in Geneva in December 1952, concluded that to avoid unemployment when new machines are introduced it was necessary that the following conditions be observed:

1. Governments must ensure a high and stable level of employment.

2. Changes in plant and methods must be planned (*L'accroissement de la productivité dans les industries de transformation*, B.I.T., Geneve, 1954, p. 198).

Somewhat similar conclusions were reached by a trade union conference convened in 1956 in London by the so-called European Productivity Council (*Economie et Politique*, No. 24, 1956, Paris, p. 89) and attended by representatives from Britain, America and many other countries. The same thought was expressed with particular clarity by the West German bourgeois sociologist, Friedrich Pollock: "Only when the desire to use the new productive forces directly and in a planned manner for the well-being of mankind assumes social proportions will automation bring that prosperity which many—too optimistically—expect from its uncontrolled development" (Friedrich Pollock: "Automatisierung." *Materialien zur Beurteilung der Ekonomischen und sozialen Folgen*, 1956, p. 288).

These conclusions are undoubtedly correct on one point: automation requires social control and the centralised direction of the entire national economy. But this is incompatible with capitalist ownership of the means of production.

The Problems of the Market

Automation under capitalism also greatly increases the marketing problem. All the panaceas offered by bourgeois economists have ultimately the same character as those which they offer for unemployment. In practice, after all the talk about the "need for planning", it boils down simply to a good sales director, a more imaginative publicity chief and increased competition. A remark by a British engineer, Sargrow, during an international cybernetics conference in June 1956 in Belgium was indicative. He concluded his report on the automation of a radio factory which had been built in 1943, but which because of lack of markets had still not reached its planned capacity, with the following words: "You see from our example that before you build an automatic factory, you must ensure a stable market and get a good sales manager."

Some bourgeois writers express the hope that the automation of office procedure and the employment of electronic computers, making it possible swiftly to analyse the state and trends of the market, will ensure the "planning" of production and eliminate the danger of crises of overproduction. But it is not necessary to be a Solomon to realise that no machine can in itself change economic laws or eliminate the anarchy of the capitalist market. There is no such thing as a machine for the eradication of crises.

As has already been noted, automation greatly increases the productivity of labour. There are therefore theoretically two possibilities. Firstly, the level of production may remain the same. The result will be a tremendous increase in unemployment, a sharp drop in the purchasing power of the population and a crisis of overproduction. Secondly, the level of production can increase in step with the increased productivity of labour (or, more correctly, outstrip it, since account must also be taken of population increase). But in this event an extension of the market—that is, of the purchasing power of the population—is in the ultimate analysis necessary.

Under socialism a sharp increase in the productivity of labour consequent upon automation simply makes it possible to increase the living standards of the population faster than before. In this case the improvement of the living standards of the workers is the direct aim of automation. The social ownership of the means of production makes it possible constantly to observe the necessary balance between production and consumption by means of the steady improvement of the well-being of the entire population.

Under capitalism the aim of automation, like that of capitalist production as a whole, is not the improvement of the living standards of the workers but increased profit. The balance between production and consumption is achieved only by the interplay of elemental forces: it is constantly violated and restored only as a result of periodically recurring crises. To use the language of the engineer, the capitalist economic system is in the highest degree "unstable"; the large-scale introduction of automation increases this instability.

Some reformists assert that in so far as automation makes it possible to provide the whole population with a high standard of living, it is no longer necessary that "the wealth of the few should be based on the poverty of the many". "The dynamic of production," their argument continues, "compels the privileged to show regard for the purchasing power of the public in order that the productive system shall continue to function" (Conference Internationale du Travail, 39e Session, No. 14, p. 225. Geneva, 1956).

Automation does indeed not only make a substantial improvement in the living standards of millions possible—it demands it. But such an improvement is beyond the power of capitalism. Automation not only many times increases the danger of crises of overproduction; it also underlines the inevitability of the collapse of capitalism and the building of a socialist society throughout the world.

Higher Wages and Lower Prices?

Automation, say the bourgeois political economists, will lead to an all-round increase in wages and in this way ensure the necessary purchasing power. The bourgeois theoreticians make reference to the fact that workers who have gone over to automation now get higher wages. It is in fact the case that, against the background of a favourable economic situation which is, it so happens, already coming to an end, the trade unions did in some instances succeed in winning certain wage increases for workers in automated industry as compared with what they had been getting before automation.

But let us see what so authoritative a body as the U.S. Department of Labour has to say about the size of these increases. "Pay rates for the automation jobs were set at 5 per cent to 15 per cent above the straight-line hourly rates for unskilled assemblies, because of some differences in working conditions and increased responsibility" (*Automation and Technological Change*, p. 285). But, of course, even these insignificant increases only affected those few who were fortunate enough to have got jobs in automated sectors.

Finally, bourgeois political economists assert that the sharp fall in production costs as a result of automation will lead to a substantial drop in retail prices and this will in its turn lead to increased demand. Certainly automation cuts production costs. But there has been no instance in capitalist countries where automation has led to a fall in prices. Quite the reverse. Ford Motors, for example, the second most automated firm in the U.S. motor industry, slightly increased the price of its 1956 models. The firm's net profit went up from \$62,700,000 in 1947 to \$312,500,000 in 1955, while the profit per worker soared from \$950 in 1947 to \$2,910 in 1954 (Michael Miller, *Automatisierung-Wohlstand oder Elend?* Berlin, 1957, p. 25).

The movement of prices is not identical with that of costs of production. The relatively favourable economic situation which has until recently existed in the main capitalist countries enabled firms who have cut their costs as a result of automation to sell their goods at the same or at even slightly higher prices and in this way to secure an enormous increase in profits. The crisis which is maturing in the U.S.A. and other capitalist countries has so

far not led to any drop in prices; on the contrary, they continue to rise. With the continuing growth of marketing difficulties, it may be expected that firms which have introduced automation will use their technical superiority in order to slash prices and win markets by ousting their competitors. On the one hand, the mass bankruptcies of firms which have delayed the introduction of automation would mean a big increase in unemployment and thus a further deepening of the crisis; on the other, it would lead to further concentration and centralisation of capital, as a result of which the power of the leading monopolies would increase.

Capitalist Crisis

The favourable conditions against the background of which automation was being introduced in the capitalist countries are now rapidly disappearing. The economic climate has changed, the increase in output has come to a standstill and cut-backs in production have begun. Even bourgeois economists who have hitherto almost unanimously asserted that economic crises had been finally overcome now acknowledge that they exist after all. The argument now is not whether production will decline or not but what proportions the decline will assume.

While, according to official figures, there were 3,121,000 jobless in the United States in February 1957, the figure had jumped to 5,173,000 by February this year (*Monthly Labor Review*, U.S. Department of Labor, April 1958, No. 4, p. 434). In the absence of more detailed figures, it is as yet impossible to analyse the influence of automation on this rapid increase of unemployment.

The monopolies are preparing for a still more bitter battle for markets, and automation is being introduced not through the expansion of production but through the modernisation of existing factories in order to outstrip competitors. "The economics of automation are harsh but simple: automate or die," remarked one of the presidents of the U.S. Chrysler Corporation (*The Challenge of Automation*, p. 62). This is true not only of individual firms on the home markets of the capitalist countries but also of individual capitalist countries on the world market.

The introduction of automation against the background of a mark-time or even decline in production will inevitably lead to a sharp exacerbation of the crisis and an increase in unemployment. The shrinkage of markets is making the introduction of automation an exceptionally risky investment: workers can be sacked, but not automatic plant.

Under capitalism, automation, deepening all the contradictions of the system, itself fashions the brakes upon its own development.

Einzig expresses the fear that Communist propaganda will convince people that automation under socialism can progress faster and without harmful consequences for the working class (Einzig, op. cit., p. 159). This fear is, of course, not without foundation. But it is not propaganda but facts that will

convince the workers of the capitalist countries that under socialism automation is developing much more rapidly than under capitalism, and not only does not harm the interests of the working class but brings it great benefits and greatly improves its living standards.

Robert Owen

E. Frow

"Then a twenty-nine-years-old manufacturer came on the scene as a reformer, a man of almost sublime simplicity of character, and at the same time a born leader of men such as is rarely seen" (Engels, Anti-Dühring).

ON November 17th, 1958, it is 100 years since Owen died. Owen's theories were formed at a time when capitalism still had to fulfil its historic mission of a further development of the productive forces. The factory workers were just coming into being and still comprised a minority of the working classes. The factory workers were greatly outnumbered by the vast army of small producers employed in the declining domestic industries. These independent small-scale producers were being squeezed out by rising capitalism and were being reduced to starvation level.

In Lancashire, between 1813 and 1833, the number of power looms increased from 2,400 to 100,000. The 80,000 Lancashire hand-loom weavers could not compete with the power looms, and their earnings dropped from 13s. 6d. to 4s. 6d. a week of twelve to sixteen hours.

At the same time, men, women and children were being herded into the newly built factories to suffer the most cruel exploitation for twelve to fifteen hours a day. Children worked in the mills from four or five years old and were treated worse than dogs; in fact they were frequently beaten with the iron "Billy Roller".

It was against these conditions that Owen revolted. He was born at Newtown on May 14th, 1771. He relates in his autobiography that at an early age he rejected all revealed religion. His first direct experience of the Industrial Revolution and its effects was in Manchester in the 1780's and 1790's, when he was in his teens. He was first employed as a shop assistant then went into business, making cotton-spinning machinery. At the age of twenty-one he became manager of a large mill employing 500 workers. It was here and in the discussions at the Literary and Philosophical

Society that he formed his views. They were put into effect at the New Lanark mills where Owen was manager and part owner.

It was at New Lanark that Owen became famous, issued his *New View of Society*, and appealed to the wealthy to support his plans.

The second phase in Owen's life commenced after his return from New Harmony in America, when he turned to the working classes and spent thirty years among them.

Owen and the Class Struggle

Historians long before the time of Owen had recognised the existence of classes and the class struggle. Furthermore the fierce exploitation of the working class in the newly arising factories made the facts of the struggle more apparent. Yet Owen was unable to recognise the existence of the class struggle. His own experience in rising from being a poor boy to become a wealthy and benevolent manufacturer, and his theory of the formation of character, allowed for no recognition of the inherent strife between the classes.

Owen's early appeals for help were directed to the wealthy and influential people, although on occasion he did appeal to the workers. In 1819 he inserted in the *Star* and the *Examiner* "An Address to the Working Classes" in which he says:

"The rich and poor, the governors and the governed, have really but one interest . . . that a correct knowledge of human nature will destroy all animosity and anger among men and will prepare the way for new arrangements which will be introduced without violence and without injury to any party . . . the higher classes in general no longer wish to degrade you" (*A New View of Society*, p. 154).

Harsh reality on occasion, however, intruded on Owen's views. At the Congress of Sovereigns, Owen relates that the "learned Secretary speaking for the governments said, 'We do not want the masses to become wealthy and independent of us. How could we govern them if they were?'" (*Autobiography*.) Owen relates what a shock this gave him. Nevertheless Owen persisted in his views and in 1835 wrote a letter to the *Poor Man's Guardian* with a request for a public reply, where he says:

"The real cause of the sufferings of all classes and all countries is the ignorance of the rulers and instructors, and of course, as a necessary consequence, of all the people."

The *Poor Man's Guardian* was edited by James Bronterre O'Brien, "The Schoolmaster of Chartism". O'Brien had a clear understanding of the class struggle as the motive force in history, and anticipated the views of Marx and Engels in this important aspect of their teachings. He says:

"The error, which appears to us to be one of the most formidable barriers to human improvement, is that of imputing to individuals the glory and the guilt of those political acts and systems of government, which are, in reality, the work of whole classes, and in the execution of which the individuals are but the chosen tools or instruments of these classes."

It was not until 1948 that Marx and Engels wrote in the *Communist Manifesto*:

"The history of all hitherto existing society is the history of class struggles. . . ."

And in the section on utopian socialism:

"But the proletariat, as yet in its infancy, offers to them the spectacle of a class without any historical initiative or any independent political movement."

"The undeveloped state of the class struggle, as well as their own surroundings, cause socialists of this kind to consider themselves far superior to all class antagonisms. They want to improve the conditions of every member of society, even that of the most favoured. Hence they habitually appeal to society at large, without distinction of class; nay by preference to the ruling class."

Although Owen adhered to these theories all his life, during the period of his activity among the working classes they were considerably modified.

In 1832 the Equitable Labour Exchange was opened by Owen in Gray's Inn Road to enable the various groups of producers to exchange their products one with another. These labour exchanges were based on the theory that labour is the source of all wealth, and the products were exchanged on a barter system at an equitable evaluation based on labour time. At this time large numbers of craftsmen and artisans produced goods in their own homes. The shoemaker brought his pair of

shoes and received for them a Labour Note of the equivalent number of hours' value, and with this he could buy any article he wanted in the exchange.

All working class reasoning on economic subjects was based on the theory of labour as the source of, and measure of, wealth. This was most clearly expressed in the Labour Notes. Marx described this theory as the equalitarian application of the Ricardian theory developed by John Francis Bray, William Thompson and others.

During this period also, Owen drew a sharp distinction between the productive and non-productive classes. Where previously he had described the workers as "the lower orders" he now described them as "the productive class".

The Grand National Consolidated Trade Union was formed in 1834 from the existing trade unions and co-operative societies under the inspiration and leadership of Owen, who later became a member of the Metropolitan Auxiliary Lodge. The catechism which was used at the founding of this lodge includes the question:

"Do you fully acknowledge that labour is the source of all wealth? And that those who labour have an unimpeachable right to secure to themselves, and for their own disposal, all its benefits and advantages?" (*Owen Correspondence*, Podmore, p. 439).

Thus although Owen adhered, in the main, to his theory of the formation of character and non-recognition of the class struggle, his active participation in the struggles of the working class, and in particular in the Grand National Consolidated Trade Union, modified his ideas. Many of his followers and the working class movement generally further modified them so that they were able to influence and develop the militancy of the working class in the Chartist and Socialist movement.

The challenge of the Grand National was for a different order of things. They endeavoured to merge all unions into one all-embracing body to change the whole basis of society. In this they failed.

Great strikes and lock-outs were the order of the day. At Tolpuddle, George Loveless and his fellow pioneers were arrested and sentenced to transportation. The employers also counter-attacked with "The Document". Clear and bold leadership was necessary to win the class battles. The left wing of the Grand National led by Smith and Morrison tried to give it. Owen, however, opposed them and aimed to put all the resources of the Union into forming producer co-operatives.

The tragedy of the situation lies in the fact that while Owen played a leading part in inspiring this great mass movement, his inability to see the need to wage a consistent class struggle helped to bring about its destruction.

Owen's Communism

One of the chief aspects of the life and work of Owen lies in the unity of theory and practice. He not only drew up plans for "villages of co-operation" but also set up communist communities. These communities were first envisaged as the solution to the problem of unemployment and later as the answer to all the ills of society. Owen drew up detailed plans for his villages of co-operation complete with cost, and scale models to show every detail. These villages embodied the abolition of private property together with the ending of the differences between town and countryside as the first prerequisite for doing away with the age-old division of labour.

He not only published his plans but ensured mass publicity of them. On one occasion he purchased 40,000 copies of the principal newspapers containing his letters or speeches, and distributed them throughout the country.

The outcome was the establishment of communist communities by Owen himself at New Harmony in the United States, and later at Harmony in Hampshire, and by followers of Owen at Orbiston and Ralahine.

Thus Owen endeavoured to put an end to the exploitation of man by man and to show the way towards the emancipation of mankind. Marx commented:

"The value of these great social experiments cannot be overrated. By deed instead of by argument, they have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands" (Marx, *Inaugural Address of the Working Men's Association*).

All these communities were failures. All the prejudices, habits and social ideas of a capitalist society were transplanted there. Owen himself commented, after a visit to New Harmony in 1828, that it was

"... evident that families trained in the individual system, founded as it is upon superstition, have not acquired those moral qualities of forbearance and charity for each other which are necessary to promote full confidence and harmony among all the members, and without which communities cannot exist."

The basic reason for the failure was, of course, the attempt to plant a socialist oasis in a capitalist environment.

Engels analysed Owen's communism in *Anti-Dühring* (p. 296). In it he says:

"His advance to communism was the turning point in Owen's life. . . . There were three great obstacles which above all seemed to him to block the path to social reform: private property, religion,

and marriage in its present form . . . he attacked them regardless of consequences. Had Herr Dühring ever even fingered Owen's *Book of The New Moral World*, he would most assuredly have found clearly expressed in it not only the most clear-cut communism possible, with equal obligation to labour and equal rights in the product—equal according to age, as Owen always adds—but the most comprehensive project of the future communist community with its ground plan, elevation and bird's-eye view. Owen did not only preach clear-cut communism: for five years (at the end of the thirties and the beginning of the forties) he put it into practice in the Harmony Hall Colony in Hampshire, whose communism left nothing to be desired in definiteness."

Owenism and Chartism

Owen's followers Gray, Hodgkin, Thompson and Bray not only developed his criticism of capitalism but recognised that profit was the cause of the worker's poverty.

In *Labour Defended*, published in 1825, Hodgkin says:

"Before a labourer can have a loaf of bread he must give a quantity of labour more than the loaf costs, by all that quantity which pays the profit of the farmer, the corn dealer, the miller and the baker, with profits on all the buildings they use; and he must moreover pay with the produce of his labour the rent of the landlord."

These socialist ideas won wide acceptance among the working classes in the 1830's and 1840's.

The agitation of the Radicals such as William Cobbett and Henry Hunt was raised to a higher plane in the Chartist movement. At no time before or since was there such a broad discussion on the policy and tactics to be pursued by the workers as during the "hungry forties". Papers such as the *Northern Star* with its many closely printed pages were a forum for discussion. The result was that the Chartist movement anticipated the subsequent development of the Labour movement and outlined in advance the paths and aims it had to follow.

In this the Owenites played a part, and rank-and-file Owenites and Chartists fraternised freely. While Chartism could by 1838 rally 250,000 at a mass demonstration held at Kersal Moor near Manchester, it was not until 1840 that the National Charter Association was formed, which can truly claim to be the first working class party. About the same time the Owenite "Society of Rational Religionists" had fifty-eight district societies embracing nearly all the principal towns in the country. Candidates for membership had to go through three probationary stages, pass an examination and be elected by ballot vote at each stage before attaining full membership. Six full-time social missionaries were employed by the

society, and widespread propaganda was conducted with 1,450 lectures being given in one year.

In Manchester, where the Hall of Science was built at a cost of £6,000, a thousand tracts were distributed every Sunday. That the Owenites had supporters and leaders from the working classes is shown by the fact that the prominent social missionary, William Hunter, had been an iron-moulder and Alexander Campbell a joiner and house painter. However, the movement had many wealthy adherents, and £22,000 was raised in one year to build the Halls of Science.

In 1844 Engels saw the relation between the Chartists and Socialists as follows:

"In its present form, socialism can never become the common creed of the working class; it must condescend to return for a moment to the Chartist standpoint. But the true proletarian socialism having passed through Chartism, purified of its bourgeois elements, assuming the form which it has already reached in the minds of many Socialist and Chartist leaders (who are nearly all Socialists, although in the general, not the specifically Owenite sense) must, within a short time, play a weighty part in the history of the development of the English people. . . .

"Hence it is evident that the working men's movement is divided into two sections, the Chartists and the Socialists. The Chartists are theoretically the more backward, the less developed, but they are the genuine proletarians all over, the representatives of their class. The Socialists are more far-seeing, propose practical remedies against distress, but, proceeding originally from the bourgeoisie, are for this reason unable to amalgamate completely with the working class. The union of Socialism with Chartism, the reproduction of French Communism in an English manner, will be the next step, and has already begun. Then only, when this has been achieved, will the working class be the true intellectual leader of England" (*The Condition of the Working Class in England*).

An Estimation of Owen

Owen and the Owenites made a contribution to the development of the Labour movement. Owen had the vision of a New Society and inspired many people to fight for it.

Francis Place describes Owen as "a man of kind manners and good intentions, of an imperturbable temper, and an enthusiastic desire to promote the happiness of mankind".

Bronterre O'Brien, while criticising Owen's theories, says of him:

"But above all we admire his extraordinary moral courage in daring (in obedience to his convictions and sense of duty) to array himself single handed against all the established principles and prejudices of mankind. . . .

"Every working man who reads Mr. Owen's essays becomes a new being in his own estimation.

He no longer feels himself a mere lump of living mechanism, predestined for the use and abuse of others. He sees that however degraded he has been made to be, it is possible for him, under new arrangements, to become the equal of those that look down upon him. He sees that nature has stamped no inferiority upon him—that Providence has been equally bountiful to him as to others, in all the essentials of human happiness; and that, in short, whatever inferiority belongs to him, is *solely the work of man and by man therefore remediable*."

In advocating his views, Owen was indefatigable. When nearly seventy years of age he was up at three o'clock in the morning, travelling the whole day to lecture in the evening. He would be satisfied with five hours' sleep in two days, make a journey of sixty miles before breakfast, and lecture every day in the week and twice on Sundays.

At an early age he rejected revealed religion, the doctrine of original sin and of the natural depravity of man. His achievements at New Lanark were described by Frederick Engels.

"He transformed a population which rose gradually to 2,500 persons, and was originally composed of the most diverse and for the most part extremely demoralised elements, into an absolutely model colony, in which drunkenness, police, magistrates, law suits, poor law institutions and any need of charity were things unknown. And he did so simply by placing the people in conditions more worthy of human beings, and especially by having the rising generation carefully brought up. He was the inventor of infant schools, and first introduced them here. From two years of age the children came to school, where they enjoyed themselves so much that they could hardly be got home again. While his competitors worked thirteen to fourteen hours a day, in New Lanark only ten and a half hours were worked. When a cotton crisis made a four months' stoppage necessary, full wages were paid to the idle workers. And with all this the concern had more than doubled its value and to the end brought in substantial profits to the proprietors" (Engels, *Anti-Dühring*).

To complete the picture we must recognise Owen's weaknesses. Having first tried to persuade the rich to reform society and failed, he then attempted to put his ideas to the workers. He did not allow for any ideas the workers might have of their own as to how to go about it. The result was that when the mass movement swept ahead, Owen was left behind repeating his outdated ideas.

Owen's dictum was "Man's character is made for him and not by him". This doctrine made environment, including education, paramount. A contemporary of Owen, Francis Place commented as follows:

"Mr. Owen then was, and is still, persuaded that he was the first who had ever observed that man was the creature of circumstances. On this supposed

discovery he founded his system. . . . Yet he has all along been preaching and publishing and projecting and predicting in the fullest conviction that he could command circumstances or create them, and place men above their control when necessary. He never was able to explain these absurd notions, and therefore always required assent to them, telling those who were not willing to take his words on trust that it was their ignorance which prevented them from at once assenting to these self-evident propositions."

O'Brien also opposed Owen's fatalism and says:

"If a man is to be excused for oppressing me because, forsooth, he is the 'creature of circumstances', am I not for the like reason to be excused for resisting him? . . . or is it the aggressor only that ought to profit by the theory of unaccountability?"

Marx and Engels solved the problem by a dialectical application of materialism. Mankind could not live except in society, and society could

not exist without productive activity, and productive activity constantly resulted in the changing of nature, of society, and of human nature itself.

In the 1850's Britain became the "Workshop of the World"; Socialism and Chartism declined and then became dormant.

Socialism re-entered the British Labour movement as Marxism. The socialist revival of the 1880's was directly led and inspired by Marx and Engels with Eleanor Marx, Hyndman, Morris and others. That Marx and Engels learned much from Owen is obvious from what has been quoted. Has the influence of Owen been underrated? Lenin in his programmatic article "The Three Sources and The Three Component Parts of Marxism" says:

"It is the legitimate successor to the best that was created by mankind in the nineteenth century in the shape of German philosophy, English political economy and French socialism."

Perhaps we can add "French and English socialism."

A note on managerial directorship

John Wetherby

THE argument that we can get along with capitalism is not a new one in the movement. It is however pretty widespread just now. It was as pervasive as the sea mist at Bournemouth T.U.C. It is accepted for the usual reasons; capitalism has appeared to deliver the goods, or enough goods to make it seem unnecessary to rock the boat. The big companies, the 400 that make 30 per cent of all profits, are, too, willing to play with the unions. To do so squeezes their rivals and adds to their share of profits as a whole. Economism is rife, as always under these conditions.

Naturally there are the theorists in the movement to give this feeling—for it is hardly more than that, a mood on the factory floor, which a whiff of reality sweeps away—a coherent pattern. Then follows the programme of the right wing, such as the Labour Party policy statement, exposed by Bert Ramelson in the last issue of *Marxism Today*.

The main theoretical work in the period of full employment which we have experienced since the end of World War II was Strachey's *Contemporary Capitalism*. This appeared in 1956. One point that he stressed and that plays a large part in what we

called the T.U.C. "mood" is that the modern company is run by managers, the appointed directors, as distinct from the owners, the shareholders. These are the people "the man from Whitehall" negotiates with (and sometimes joins); they are the people the trade union executive and the convenor meet. The paid directors may get £12,000 a year compared with a trade union secretary's £1,500. Their emoluments come to some 3 per cent of total profits. They give cocktail parties at the Bath; union secretaries stand a brown ale at the mayor's "do". But they are in their way working people, agents of the real property owners, the shareholders.

This being the case, Strachey argues, they do not stand out to make the maximum profit, entirely following their individual bents, as the old-time cotton or steel or coal masters did. And in the particularly important matters of beating the slump by high investment, Strachey argues that they, and their counterparts on the nationalised boards, "must be induced, since they cannot be ordered, never to let the level of investment drop" (p. 206); induced, that is, by governments acting under "democratic" pressure. It will be recognised how

much this line of argument affects the policy for expansion put forward by Mr. Birch of the T.U.C. Economic Committee as an immediate alternative to socialism at Bournemouth or the letter to *The Times* recently by Mr. Harold Wilson. This is the new gimmick; they are induced to have their cake and maybe we'll get full employment.

There are several different points that need clearing up here. The first one is that dealt with by Ron Bellamy in reviewing Strachey's book in *The Marxist Quarterly*. These directors, paid servants or not, act to make maximum profit. They do not operate as civil servants are supposed to do, as impartial laymen doing their best for the "country". They may, it is true, disregard shareholders' dividends in the interest of building up their own power by holding large reserves, but this in the long run is a policy of strengthening the powers of the companies they represent.

Even so, there has been a relaxing of the purse strings since Strachey wrote, because the directors have to appeal to the capitalist investors as a whole for new capital, which they cannot get unless they show some generosity. The ordinary and preference dividends paid by industrial and funding companies rose from £599 million in 1954 to £691 million in 1955, £735 million in 1956 and £765 million in 1957—that is, a rise of 27 per cent. Payments in 1958 are some 8 per cent up on the 1957 level. But we may add that while they paid out £2,790 million in the four years, they put £5,830 million into reserves. The "managers" play the profit game. They are subject to the rules of capitalism.

Who Directs the Directors?

The managerial director—that is, the man who runs a business for shareholders—acts for the property owners as a whole. The position is that property owners as a whole own the companies that run the economy. And a comparatively few shareholders own the bulk of the shares. Kaldor, who wrote his book on *The Expenditure Tax*, with the encouragement of Hugh Gaitskell, stresses this fact. Britain is indeed "a property-owning democracy", only the property-owning is effectively done by a small fraction with over £50,000 of assets each and the "democracy" works for them.

The directors and managing directors, who do not belong to the property-owning sector but exist on salaries and expense accounts, personally play the part which the British governing class has evolved as a social device of much handiness: using other people to do their work, appointing agents whom they pay. The governing class is not exclusive. It will embrace into what Hamilton Fyfe used to call the "comfortable classes" those who have brains and energy, just as it will marry its

daughters to up-and-coming politicians to run the state.

The chairmanship of Vickers, for instance, since 1926, when the last Vickers was sacked by financial interests, has supported a succession of Establishment people, parallel to the chairmanships of the Big Five Banks or I.C.I., the oil companies, or Levers or the B.B.C. Some managing directors, like Viscount Chandos, president of the 30,000 Institute of Directors, head of A.E.I., comes from the governing class itself—he was a Lyttelton. He made his career in money (and is a most outspoken critic of the City wing of the Establishment).

Of course, control of the big trusts is not all planned by a cunning old upper-class clubman. Commerce and industry are open to the talents, or talons, of new men, even these days. The new men who are impinging on the established preserves, the Sears and the Clores or the Hugh Frasers, or the Marks or the Samuels, own handsome chunks of the concerns they run; capital gains made by adroit purchasing of properties beat the surtax when it comes to accumulation. In fact, it was the policy of restricting the economy that gave them their chance to muscle in.

There are also other examples of capitalists who own also being active—the sacred circle of merchant bankers made way for Philip Hill. Drayton is hardly an agent, pure and simple. Nuffield may lead the motor field but he is not alone in it, with his fortune. Rank is no old-age pensioner. Even Brendan Bracken left £140,000-odd. And where do the Greek shipowners fit in—or the new wave of U.S. capitalist interests?

Capitalism involves changes not only in the shuffling of managing directors but in property ownership as well.

The Insurance Companies

The role of the insurance companies also calls for comment because of the emphasis that is given to them in certain movement circles by reason of the flood of investment funds at their disposal. They do play a leading role when it comes to proposals to raise new capital or float off a family business. They have, by their investment in already existing shares—that is, by buying "old" shares as well as newly issued shares—sustained the stock exchange boom, to the benefit of those who already held the shares. But they own no more than a tenth in volume of the ordinary shares in issue, though they get a fifth of the dividends paid. It must be remembered that they act for the upper and middle property interests, though they handle the savings of many workers in pension funds etc. The argument, advanced because of the existence of "nominee" holdings by banks, that finance

companies, including insurance concerns, own the bulk of the shares, is not accurate; nominee companies are private owners in disguise.

The "managerial director" is not a universal phenomenon, nor a constant one. But anyhow we may ask: who controls whom when it comes to deciding economic policy?

Are we better off, when it comes to manipulating capitalism by a "democratic" state, because we have these alleged managerial directors instead of directors who own the companies they run? Strachey admits, as we quoted above, "they cannot be ordered". And, indeed, Strachey recognises the difficulty when he talks of "inducing" them to invest. "Contemporary governments can, and do, attempt to control the economic climate, as it were, so that by artificially stimulating ultimate consumers' demand—in round terms by giving people money—it will always seem profitable to the entrepreneurs to invest." Governments can also engage in public works.

Of course, as Strachey admits, this spending one's way out of a crisis, spending to keep full employment, leads to inflation. "The tendency is towards an excess". And what in fact happens? We know now. The City and its sparring partner, the Treasury, intervene. They "induce" a slump. We know from the evidence of the Parker Tribunal on the alleged leak in the Bank Rate that the Governors of the Bank pressed for the credit squeeze, attacked public works, endangering housing, education and hospital building, while British capitalists were endangering the £ by taking capital out of the sterling area.

Was Cobbold, Governor of the Bank, acting as a rich man himself or for the rich men when he pressed these measures on the Government? What difference does it make?

He was in fact acting for the rich men of the City (and succeeded, indeed, in annoying the other

rich men whose primary interests lie in industrial output). But the moral is to show how far from the truth is it that "democratic" policy can be safely based on hoping that the new type of director manager can be induced to do what he doesn't want, or his immediate or ultimate bosses don't want, to do. The fact that technicians and expert scientists and draughtsmen or others in such grades will play an important part in organising the economy is quite another point. They are potentially our allies. They are not happy under the profiteers, whether the boss is an owner himself or a nominee of profiteers.

There is, too, another moral, whatever the truth is about the new form of capitalist organisation. That is, that it is not possible to manage capitalism without benefiting the capitalists. We have had between 1948 and 1958 as much "priming the pump" as one would wish. The capitalists have been "induced" all right. Yet the share of wages in the total output of manufacturing industry in the U.K. was 52 per cent in 1948 and 47 per cent in 1958; the share of salaries fell from 17 per cent to 15 per cent in 1955. Before the credit squeeze, the proportions were 47 per cent for wages and 16 per cent for salaries. It is true that, as Strachey argues, the trade unions have been able to enforce rising wages and also full employment. But in face of these figures how can one argue that priming the pump is going to solve capitalism's crisis? Who is going to be able to borrow from the bank—or to take out more H.P. commitments in face of a rising rent or actual or threatened unemployment? In fact, so long as capitalism exists, particularly with the financial and capital exporting interests in control, "the three wise men" of the Cohen Council are right. That is the only way it will work. It is, as Strachey says elsewhere in his book, a matter of power. That is the problem of "contemporary capitalism", now, as always.

The shape of entertainment to come

Cadmus

FOR a young industry—and a young art—the film business has had some startling changes in its sixty-odd years. Well within living memory, it was a silent black-and-white shadow of reality, emerging from among the tattooed ladies and other pictorial phenomena of the travelling showman's side-shows; yet even in the early days Lenin said: "The cinema is for us the most important of arts." Today with sound, wide screens, colour and other technical and artistic advances it has several times more impact on audiences. Last year 915 million cinema tickets were sold in Great Britain alone—and more than twice that number in the United States.

When I was a schoolboy, my father once took me to a room in a Frith Street, London, house to see a miraculous moving picture the size of a large postage stamp that had been transmitted by wireless. It was one of John Logie Baird's first experiments in television. In 1947 there were nearly 15,000 TV licences in this country; ten years later—nearly 8 million, with six out of ten adults able to see TV in their own homes. A year after the opening of commercial TV in Britain in September 1955, the balance sheets of the programme contractors were heavily in the red; now they are doing so well that one new contractor views the future of running his commercial TV station as like having "a licence to print money." Moving pictures, whether in cinemas or the home, are so important for us because their influence is so widespread and powerful, and because they are in the hands of the industrial ruling class (or, in the case of the B.B.C., people who represent the Establishment).

It has been said a number of times that the cinema box-office here has been hit by the rapid growth of TV—more rapid, incidentally, than commercial TV development in the United States. There is a tendency to think that the film moguls are being attacked by the more thrustful TV kings. But this is an over-simplification—it was noted several years ago in the U.S.A. that the greatest slump in the box-office took place in cities which had a TV station and which also lifted rent restriction, so putting up the people's cost of living; it is true also of Britain that TV

is not the only important factor in reducing cinema admissions.

Cinema attendances reached their peak just after the war, when there was no TV, when sport was restricted, and when wartime paper shortage had been limiting book and magazine publication; the war had caused an acute housing shortage, and people welcomed the comfort of the cinema, especially in the fuel-restricted winters, when the cinemas were warm and cosy. People were not kept at home by the "Do it yourself" movement, which had not started. We had just conquered the fascists, and for some years the films we had been seeing mirrored our hopes for this victory and the bright future after. These were ideal conditions for the cinemas.

America, too, had a similar situation in its cinemas, and this was reflected in the producing side of its film industry—in Hollywood. But the factors that then began to affect Hollywood were not only domestic ones, as the United States gains a significantly large profit from overseas markets, Britain in particular, where some three-quarters of cinema screen time is devoted to American movies. More and more of the film-making nations of the world began to protect their studios from the competition of Hollywood, and all the while other nations that had never before made films started to produce them. Although many of these pictures might not have had the technical polish of Hollywood, they had been produced by film-makers for their own people, and, therefore, were at an advantage over the foreign films from America.

In 1947 Britain had a serious dollar shortage, and Dr. Hugh Dalton put an *ad valorem* tax on foreign films, to which the United States responded by shutting off the supply of all new American pictures to Britain. The tax was withdrawn, and an Anglo-American Films Agreement drawn up which guaranteed the continued showing of Hollywood films here, but on a controlled scale, especially in respect of the dollars remitted to the U.S.A. Meanwhile, the legislation which protected our film production industry by compelling those who imported and distributed foreign films in this country to handle—and hence to sponsor

—British films, was quietly dismantled by Sir Stafford Cripps under the General Agreement on Tariffs and Trade (G.A.T.T.) at the insistence of the United States (though Harold Wilson got the blame for this).

New Screen Techniques

This was typical of the global battles fought by the State Department on behalf of Hollywood, and for a while it helped to stem the tide, but by 1953 all the factors, acting together, forced Hollywood to start trying to recapture its dwindling world audiences with new screen techniques. None were new, but capitalism had not previously been ready for their development commercially. First, three-dimensional films, but these did not succeed for long, largely because of the need to view them through special polaroid glasses, and because, in my opinion, with few exceptions the 3-D films had little else than novelty value in them. Just then the first of the wide-screen systems, CinemaScope, hit the world with the record-shattering success, *The Robe*, made in America by Twentieth Century-Fox. Here was an important film on a biblical theme with intelligent and liberal ideas in it, as well as great spectacle: the CinemaScope system of wide-screen presentation incorporated also the use of stereophonic sound with loud-speakers placed in different positions in the theatre, so that if someone was speaking on the left of the screen, the sound came from the left, and so on. All this and colour too was something that TV could not imitate.

CinemaScope was essentially the method of squeezing a wide-angle scene on to a normal size cine film, using a normal studio camera fitted with a special lens, and projecting the "squeezed" image with a similar lens to spread it out on to a wide screen in such a way that the definition of the picture was clear and none of the colours distorted. The anamorphic lens, as it is called, was the invention of Henri Chrétien, and, according to *The British Film Industry 1958* (published by Political and Economic Planning), Twentieth Century-Fox took up the option on his invention after the Rank Organisation had allowed it to lapse.

Fox offered their customers, the cinemas, a "package deal" with their slump-challenging CinemaScope pictures, for, as a condition of showing them with the anamorphic lenses, they had to instal stereophonic sound equipment, as well as the necessary wide screens, and this caused quite a battle in the British film trade. Faced with considerable re-equipping and rebuilding costs (as cinemas had been with the coming of talkies some twenty-five years earlier), many revolted, but the

most significant contestant at that period against Fox was the Rank Organisation who in 1954 announced that they were switching to the American Paramount company's VistaVision system of wide-screen photography and screening. But by September of 1955 more than half the cinemas in Great Britain had been equipped to show films by anamorphic lens projection, and these cinemas comprised nearly three-quarters of the total seating capacity. Wide screen had come to stay, and this is now true of the whole world—the Soviet Union has it, and a few weeks ago Hungary announced the completion of its second CinemaScope film in colour, *Spring in Paris*. In May of this year L'Institut Dourdan and Centre National de la Cinématographie in Paris published the results of a poll of French cinema-goers: 80 per cent preferred wide screen, only 8 per cent preferred the old-fashioned small screen, while 12 per cent were indifferent—over half of those questioned thought the wide screen indispensable to certain subjects.

Changing Content

The content of the films has also been changing with the screen dimensions, because the large panoramic screens lent themselves to the portrayal of mass scenes of the epic type, chiefly films on themes of war and battles. Looking at the list of CinemaScope films that had been, or were about to be, presented in London in March 1955, *Preview* (journal of the Film Panel, Authors' World Peace Appeal, 166 Kew Road, Richmond, Surrey), was struck by the close connection they showed between wars and history; almost every historical picture was then at the same time a war film:

"Shown already have been *King Richard and the Crusaders*, *Sign of the Pagan* (the defence of Rome against the hordes of Attila the Hun), *The Command* (full scale military war against the American Indians), *The Egyptian* (war between Egypt and the Hittites), *King of the Khyber Rifles* (war on the North-West Frontier of India), *Prince Valiant* (King Arthur's wars), and . . . *Desirée* (Napoleon's wars).

"To follow are scheduled *White Feather* (war in nineteenth-century Egypt and Sudan), *Soldier of Fortune* (war in Asia), *Sir Walter Raleigh* (Elizabethan wars), *Jewel of Bengal* and *India* (both on Asian wars, the latter a biography of Alexander the Great), *The Dark Avenger* (starring Errol Flynn as 'The Black Prince').

"Now it is true that the theme of peace is handled with some care in the majority of the CinemaScope films on a war subject; in *The Egyptian*, for instance, the hero (Edmund Purdom) takes the side of the peace forces against the warlike court forces (led by Victor

Mature). It is also true that these films on historical themes are only twelve out of the forty-nine already presented or forthcoming.

"But it is perfectly clear from advance reports of the whole forty-nine that the enormous possibilities offered by the new medium for a more exciting, realistic presentation of history and modern life are being, in general, wasted. . . ."

A large number of these films were shot in Spain, Mexico, Italy, India, Australia, Britain, Hong Kong, Egypt, Israel and the Canadian Rockies. Here was attractive and colourful realism in the setting with excellent portrayals of many countries' natural features, but for the most part this was only a background, in front of which the British and American stars performed, directed mainly by Americans. But whatever their shortcomings from a social point of view, what was developing through such films was the kind of film show that people would go to more as an occasion (as they do to the live theatre), than a regular, almost routine, visit to the pictures; people were becoming more discriminating in their choice of screen fare. Cinemas that normally had two changes of programme a week (with perhaps an added change for one day only on Sundays), were booking these films for longer runs. This idea of long-running "prestige"-type films was put forward here ten years ago by Filippo Del Giudice, one of the great producers of British films during and after the war at the now closed Denham Studios—and derided and dismissed at the time. He pointed out that with special exploitation of *Henry V*, which he produced with Laurence Olivier, the amount of money collected at two London West End cinemas

"for long runs like stage plays is in proportion greater than the amount collected, when, by the decision of the controllers of the circuits, that film was generally released in nearly 2,000 cinemas! From the experience of the two cinemas in the West End, the picture could have grossed an enormous amount of money if, instead of being shown in 2,000 cinemas, it had been presented in not more than fifty cinemas for long runs all over the country."

This example is purposely quoted to show that the cinema of the future—perhaps one should more appropriately say, the *theatre* of the future—need not throw overboard an intellectual nor artistic approach and go in only for meaningless spectacle. Both it and TV can progress towards higher calibres of entertainment, not merely just to match the immediate desires of audiences, but to lead them to better fare. I believe that these trends are already quite apparent in both TV and films, and that they should be given more en-

couragement by the organisations of the working class.

Just the same, despite good publicity campaigns for films (such as the clever plugging of the title of the CinemaScope film, *Three Coins in the Fountain*, by the song of the same name), those economic reasons already mentioned together with the high rate of Entertainment Tax have caused a lot of cinemas to close here, as well as those that have closed in the U.S.A. The idea has got around that this indicates a slump in entertainment; what has actually happened is that there have been some considerable *changes* in the pattern of entertainment, though it would be callous not to mention that these changes have been accompanied by unemployment and casualisation among film production workers, and small cinema-owners going out of business on both sides of the Atlantic; that is the way that monopoly capitalism works. One change in America, which unlike so many others, has not been carried out in Britain has been the rise of the drive-in cinema, where patrons take their cars to a large open-air cinema site. "Hollywood at the Crossroads, an Economic Study of the Motion Picture Industry" (prepared for the Hollywood A.F. of L. Film Council, December 1957), notes:

"The declining audiences and box office took their toll of the theatres, but in a rather complicated way. Despite the sharp rise in U.S. population and the extraordinarily rapid suburbanisation of metropolitan areas, the total number of theatres was virtually identical in 1946 and 1956. There were, however, drastic changes within the total. This is evident in the results of the Department of Commerce's Census of Business for 1948 and 1954. . . . In 1948, there were 18,631 theatres with gross receipts of \$1,614 million. Of this total, 17,689 were four-wall theatres (95.6 per cent) with \$1,567 million in receipts (97.1 per cent). There were only 820 drive-ins (4.4 per cent) with receipts of but \$47 million (2.9 per cent). In 1954, the total number of theatres was virtually the same, 18,560, but receipts had dropped to \$1,416 million. The number of conventional theatres, however, had declined sharply to 14,761 (79.5 per cent) with receipts of \$1,187 million (83.8 per cent). Drive-ins had risen to 3,799 (20.5 per cent) with receipts of \$229 million (16.2 per cent)."

The development of the drive-in cinema in the United States stems from the social conditions that exist there, which do not occur in this country. But the social conditions here, and the changes in them, have had considerable effect on the entertainment business. Vernon Beste, speaking to a Screen Viewers' Panel meeting in London in July, noted that the general improvement in

housing conditions since the war tended to keep people in their homes; this social change was one of the main factors in the development of TV now, rather than a decade or so ago. He foresaw the use of larger screens in home TV (perhaps by projection TV). Whether the Tory Rent Act will reverse this trend to the extent of driving people into the cinemas again, it is too early to say; whatever housing conditions are like, people are certainly unlikely to choose the films as their only alternative pastime to TV. Most of the film interests have realised that the cinema is now only one of the many forms of entertainment vying for the public's cash; therefore, they say, let us get in on these other media. Rank now has gone in for gramophone records and the Victor Silvester dance studios, which have been opened adjoining some of his cinemas; Granada pioneered the sales of records in some of its cinemas, as soon as the boom in disc sales started; and Associated British Cinemas make a special bid for the patronage of women with a few "Elstree" hair salons. The idea of a number of these schemes, which is quite prevalent in the U.S.S.R., is to build up the community spirit around a palace of entertainment with the cinema theatre as the central attraction. Far more significant than these examples is the way these and many other film companies are now well in on commercial TV. The Independent Television Authority's charter comes up for renewal as far ahead as 1964 (as does the B.B.C.'s in 1962), and both have realised the technical possibilities of a third TV channel in Britain; but already the lobbying has started, and the monopoly purveyors of entertainment have their eyes on the third channel.

Profits the Aim

Said the *Daily Herald* (26.7.58) in one of its special features on the subject: "Money is the lure. Commercial TV is beginning to produce huge fortunes," and it reminds us that it was the Tory Government's gift to big business—precisely what so many commentators are glossing over or purposely phrasing in less class-conscious words. TV is such a special attraction to the monopolists, because with TV they have a vast mass market. Catering to a minority may yield a profit, but it cannot yield the maximum profit—which is all these people are interested in. Viewing only the two alternatives of commercial or BBC control of the third channel, the *Daily Herald* (27.7.58) was very gloomy about the prospects for viewers. It will not, said the paper, and it cannot give better TV:

"For one thing, the BBC is half dead at the top.

"But that isn't the chief reason.

"The biggest drawback is that the outlook of commercial TV is dominated by the need to make money from advertising . . . its appeal is inevitably inclined to the lowest tastes.

"And in spite of its desire to preserve better standards, the BBC is being forced to fight back with some of the same weapons to survive. . . . Bad television is driving out good. And if there is a third commercial programme, it can only result in a FURTHER lowering of standards all round in the scramble for massive audiences at all costs.

"Nobody is denying that ITV still has its good things, its valuable things.

"But these are the items that will be menaced if standards are to be brought lower still by the dictates of more commercialism. . . . Goodness knows that we need entertainment. We only want it to be good." (Italics and emphasis as in the original).

Does the film industry have the answer? Numerous sections of it, here and in America, are learning that good, adult entertainment can win mass cinema attendances, so could it not take over the third TV channel and supply the better calibre of filmed entertainment on TV?

There are other lures for the film business, the main one being that with a minimum expenditure on such distribution costs as prints and print handling it can *quickly* recoup its production costs. One print of a picture that would be used for showing to some thousands of cinema-goers in its life, can be used for television transmission to millions in one night alone. An experiment recently ended in the town of Bartlesville in Oklahoma, where by means of TV twenty-six different films a month were delivered for twelve hours a day into the houses of those taking part in the scheme; half of the films were first showings, and half were re-runs. For this service the householder paid a monthly fee (over and above what his set cost). Instead of some months taken to recoup production costs and make a profit from cinema showings, the film producer can collect his money within a few weeks. There are different methods of this "pay-as-you-see" TV, some where the picture and sound are transmitted over the air, and others where it comes through cables direct to your set. The chief problem that the Bartlesville experiment did not solve was the method of payment. There are numerous ways of "scrambling" the picture, so that you do not get a clear picture until you put your money into a slot; one of these is Telemeter, and the essential identity of the film and TV interests is illustrated once more by the fact that Telemeter is a subsidiary of Paramount, the American film company. Alternately, you pay a monthly fee for

the programmes, whether you view them or not, but the programme contractors do not like this, as it gives viewers the opportunity of withholding payments when they have been dissatisfied with the programmes.

Over four years ago Sam Goldwyn, seeing the future in some form of pay-as-you-see TV, said: "If some exhibitors go out of business, let them remember that so have some producers. . . ." It is not risky to predict that with the ruthlessness of business it would be the small cinema-owners who would be the ones to go out of business here. Odeon, Gaumont, ABC, Granada and the like could sell some of their cinemas, and with the capital so raised invest in the special pay-as-you-see TV equipment, possibly coin-in-slot TV sets, necessary to provide the cinema in the home.

Capitalism has already largely decided the shape of entertainment it wishes to see along the lines of home TV programmes of one type, and theatre programmes of a different style. Vernon Beste at the meeting referred to above believed that, as TV audiences were in much smaller groups, they required something more thoughtful and of higher intellectual content, while a small number of cinemas would cater for people who wanted to go out for an occasion with perhaps only one or two changes of programme a year in each cinema, possibly of the *Around the World in 80 Days* or the Cinerama type.

Although the mechanised entertainment of the immediate future is clearly predictable, what is not so easy to foretell is the time-table for the development of these events, because those who control them will try and ensure that they exploit them only in their own interests—in such a way as to squeeze maximum profit out of them. Fortunately, the idea is developing among the entertainment trade unions for national control of the industry.

There is a wonderful prospect ahead for the people, especially in view of the great technological inventions that have already been made, but not yet exploited. Earlier this year the B.B.C. announced VERA (Video Electronic Recording Apparatus), by which pictures can be recorded on magnetic tape (in much the same basic way that sound is recorded on tape recorders), instead of on cine film which needs to be processed at a laboratory before it can be shown. *The Times* reported (9.4.58) that the running costs of this British invention were much less than a similar process pioneered in the United States. This will undoubtedly give the B.B.C. a big weapon in the battle for the third TV channel. Colour telepictures can also be recorded on VERA. Lord Rank controls the Cintel company, which has developed the means of projecting the TV image on to a screen far larger than the largest TV tube. In May this year *The Daily Cinema* told its trade readers that Twentieth Century-Fox and General Electric were preparing a commercial model of the colour picture version of the Eidophor system—a Swiss invention that miraculously increases the brightness of TV images, so as to enable them to be projected in cinemas more easily. Eurovision is an accomplished fact—the means of transmitting programmes across the Atlantic are not so far off.

Just as we fight for the reduction of the working week, so it is important to fight for the control of these mass media of entertainment and news dissemination, which are the things the public enjoy during their leisure. Apart from the B.B.C., the main controllers are monopoly capitalists of Britain and America, so it seems to me that the case should be developed for the direct control of the entertainment industry by the nation for the benefit of the people. This article is intended as a start of a discussion on this subject.

The formation of nations in Africa

I. Pothekin

IN recent years I have concerned myself almost exclusively with the study of the formation of nations in Africa (south of the Sahara).

I would first like to say what I understand by the word "nation".

A generally recognised definition of that word does not yet exist in world science. It is often used in an extremely arbitrary way and its content can be very different. Sometimes the word "nation" is used for a people without considering its level of social development. In that case the words "nation" and "tribe" are used as interchangeable terms. In the literature dealing, for example, with the Zulus at the beginning of the nineteenth century, we find the expressions "Zulu nation" and "Zulu tribe"; the twentieth-century Ashantis are sometimes called a nation, sometimes a tribe. Sometimes the word "nation" is used for the whole population of a given country, without considering whether they speak a common language or different languages.

Webster's *New World Dictionary* gives for the word "nation" the following definition: "1. Stable community of individuals, which has developed in the course of history, having a common territory, an economic life, a culture and a specific language; 2. Population of a territory united under the same government, country, state; 3. (a) People or tribe; (b) tribe of Indians in North America, belonging to a confederation, such as the ten nations; (c) territory of such a tribe."

If we understand that word in such a vague way, the problem of the formation of nations does not even exist: nations have always existed; they have existed everywhere, and as a result there cannot be a problem of the formation of nations. On the contrary, if the word nation has a definite sense the problem exists of how and when are they formed.

It is by no means an argument about words. To give a definition of a "nation" is of vital importance for the peoples. A nation is not an imaginary or mystical concept—it is a very real phenomenon, and as such needs an exact definition, without which it is impossible to understand the national question which plays such an im-

portant part in the life of the peoples of the present time.

Stalin's Definition of a Nation

To study the problem of the formation of nations, I start from the definition given by Stalin as early as 1913. According to this definition a nation represents a definite human community, strictly outlined. Several human communities exist; but not all can be considered as nations. A nation has specific characteristics.

The first criterion or characteristic feature is a common territory. Without a common territory a nation cannot exist. The most vivid example is that of the Jews. Disseminated throughout the world for a number of historical reasons, they did not form a nation. The Jews, living in different countries, did not have in common any political, economic or cultural interests; many have for a long time forgotten their tongue and speak that of the people among whom they live. The Jews who established themselves in Israel do obviously form a nation; but I have not studied this question specially.

The second characteristic is a common tongue. Without a common tongue daily regular relations are not possible between individuals. If they speak different languages and cannot understand each other they are naturally unable to form a nation. The language is the expression of the soul of a people. Everybody loves his own language and prefers to speak it.

From their prolonged common existence within the same territory and their continued relations based on a common language, people acquire customs, habits and a way of life common to all, similar artistic tastes, and a single spiritual and secular culture. Great and small nations differ from each other not only in language but also in culture and psychology. Every nation has its national culture which it loves and respects. This is the third characteristic of a nation.

The fourth is a common economy, i.e. that all parts of a territory inhabited by a particular people are economically linked together. There is a geographical division of labour and a regular

exchange of products, in a word a single national market. A common economy creates links between the people living in the different parts of the country shared by a particular people, and creates the necessity for regular relations between them—which encourage the disappearance of local language differences such as dialects and the development of a single national language with its permanent expression in literature. It is only as the consequence of a common economy that the common characteristics of a spiritual and secular culture can develop. A common economy makes a single unity of the territory of a nation and gives a concrete meaning to territorial unity. It is on this basis that a good understanding of the common political and economic interests of a nation are founded.

Such are briefly the four main or characteristic criteria of a nation. This does not mean that a nation has no other characteristics, but these four are the main and fundamental ones.

If we understand the word nation in this way it becomes clear that a nation can only come into existence under the capitalist system, and that nations are the product of capitalist development.

This means that nations have not always existed; they are born, and are only formed at a definite point in human history. Under the feudal system they did not, and could not, exist. They could not exist because there was neither a common economy nor a national market. Feudal society is characterised by a subsistence, not a profit-making, economy.

This does not mean that under the feudal system the exchange of products did not exist at all and that there were no economic relations. No, an exchange of world products, economic relations, existed even under the primitive "commune" system. However, such relations were sporadic and not at all essential. Under the feudal system, economic relations between regions can or need not exist. Their non-existence cannot stop material production. This differs from the capitalist system in that economic relations have now become an essential condition of production.

A "Narodnost"

We usually call the ethnic community living under a slave or feudal system a "narodnost". This word has no real equivalent in the West European languages. "Narodnost" comes from the word "narod" (people). From now on I shall use the word "narodnost".

The narodnost is an ethnical community of individuals who possess a common territory, a common language and a common culture. Unlike a nation, it has no common economy. Moreover the three first characteristics of a narodnost differ

from the corresponding characteristics of a nation. The feudal system is distinguished by the division of the land into small or feudal principalities and, in some cases, by the absence of a central state authority. In the capitalist system national states exist, generally including within their boundaries all the territory inhabited by a particular people.

The existence of regional dialects of a common language is typical of the feudal system. In many cases there is even a single literary language, but by reason of the illiteracy of the majority of the people it is used only by the upper classes while the mass of the people speak various dialects. Under the capitalist system it is only when large-scale economic relations are established along with mass migrations from one district to another, and with the development of education, that the literary language comes to be used by considerable sections of the community, being transformed into a single method of communication, and regional dialects disappear little by little.

The same thing can be said of the common culture; it is only fully developed under capitalism.

Finally the narodnost and the nation have a different class structure. In the first case the feudal lords and their peasants formed the basic classes. In the second case we find the bourgeoisie and the proletariat.

In the primitive community there is no nation and no narodnost. The typical form of the ethnic community of the people was the tribe. What difference was there between a tribe and a narodnost?

A tribe is a classless community, while the narodnost is divided into classes. A narodnost forms when the change takes place from classless to class society.

A tribal community is based on blood relations: it is a community of people descended from the same actual or mythical ancestor. A narodnost is a territorial community, which includes people not on the basis of origin but on the basis of living within a given area: their geographical location in other words.

A narodnost grows out of the disintegration of the tribal community, of the mixing and merging of tribes and the emergence of classes. The mixing of tribes leads to the formation of a common language based on one of the tribal languages, while the others become regional dialects and finally disappear from history. The mixing and merging of tribes also lead inevitably to changes in the secular culture and psychology of the people: the tribal characteristics disappear and a single common culture emerges.

All these simultaneous processes have a definite economic basis which undergoes decisive modifications. The merging of the tribes and the transformation of the tribal system into a narodnost are based on the replacement of one form of productive relations by another. It is precisely at this period that the co-operative and mutual-aid relations characteristic of the primitive community system, where classes did not yet exist, are superseded by relations of exploitation, domination and subordination, characteristic of all social and economic class systems.

The period of the formation of antagonistic classes and of the state is also the period when the tribe becomes a narodnost.

There is no precise line of demarcation between feudal society and the commune system. The transformation of the primitive social system into feudalism takes place little by little over a long period. Even when feudal-type relations predominate there are generally some fairly clearly distinguishable survivals of the primitive commune. These survivals are very enduring, and can even be found in capitalist society.

Similarly there is no precise line of demarcation between the tribe and the narodnost. The transformation of the tribe into the narodnost also takes place little by little over a long period.

The survivals of the clan and tribe structure and organisation can subsist for a long time after the formation of the narodnost. At the same time they are but relics, old moulds with a new content. In this case the decisive role is not played by the mould but by the most characteristic and dominating social relations of the period in question.

Stages of Development

To sum up: the ethnic community of the peoples goes through several stages of development: tribe, narodnost, nation.

The passage from one form to another broadly corresponds, but only broadly, to the development of the socio-economic systems: the narodnost is formed during the transformation of the primitive commune system into slavery or feudalism; the nation develops out of the passage from the feudal to the capitalist system.

In taking this interpretation of the term nation as a basis for our study of the ethnic development of the African peoples at the end of the nineteenth century and the beginning of the twentieth century, we easily reach the conclusion that there was not and could not be any nation in Africa at that time. It could not exist because there was no capitalist society.

In the African countries where more or less developed relations of a feudal type already

existed, the transformation of the tribe into the narodnost was already taking place. There was clearly a narodnost in the case of the Egyptians, Moroccans, Tunisians, Algerians, Yorubas, Ashantis, Bagandas and others. The tribal organisation of these peoples, the Egyptians for example, had already completely disintegrated by this time, although still existing amongst other peoples.

In my book on the Southern Bantus, I made a special study of the development of the forms taken by the ethnic community of the Zulus, Kosas, Basutos and Bechuanas. I made detailed studies of the socio-economic system of the Southern Bantus at the beginning of the century, and submitted my conclusions to the Cambridge International Congress of Orientalists of 1954. I put them in this way: we see a picture of the primitive commune system at the last stage of development; the classical structure still exists but already has lost its first stability; private property exists and there are rich and poor, but without the community having split into antagonistic classes; the control of affairs is concentrated in the hands of wealthy dynastic families, but no state apparatus of coercion as yet exists. We conclude that the Southern Bantus were on the borderline between class and classless society: between a tribe and a narodnost.

The Zulus

I will deal more especially with the formation of the Zulu narodnost in the South African province of Natal. At the beginning of the nineteenth century there were about 100 independent tribes in Natal. There was no Zulu narodnost. There was no common Zulu language, but a multitude of tribal languages divided into two groups, the Tekela and the Ntungwa.

In the 1820's, Chaka, chief of the Zulu tribe, set out to bring all the Natal tribes under his rule.

Chaka's campaigns had an enormous influence on the Natal tribes. After being defeated, many tribes broke up and dispersed in different directions, giving rise to a mass tribal migration. Some disappeared purely and simply from the ethnic range of Natal, while others increased in number by absorbing newcomers from other tribes. The tribal structure being destroyed, the mixing of the tribes led to the formation of the Zulu narodnost. At the same time the old tribal divisions were replaced by a central authority based on armed force. This marked the beginning of the formation of the Zulu state.

"Independent tribes . . . ceased to be independent, the governing families were hounded out or exterminated, all the tribes without distinction were amalgamated and together they could

be called the Zulu nation with Chaka at their head", wrote Bryant (A. T. Bryant: *Olden Times in Zululand and Natal*, p. 233).

In the same way as the Zulu tribe took the lead in the powerful process of unifying the tribes in a single state, so also the Zulu language gradually became the common medium of communication for all the tribes, and supplanted all the other tribal languages. The men of Chaka's army spoke a Zulu language of the Ntungwa group and as this army included adult men from all the tribes the Ntungwa language rapidly spread throughout the vast territory of Natal. According to Bryant the Tekela languages were retained for a certain time by the women but by the 1920's there only remained a few old women who spoke it. (A. T. Bryant: *A Zulu-English Dictionary*—Maritzburg 1815, p. 60).

A long period of determined struggle by the Zulus against Anglo-Boer colonialisation then ensued during which the tribal structures disintegrated still further and the tribes intermixed still more.

At the end of the nineteenth century the Zulu narodnost, united in a common territory, language and culture, was already born in the territory of Natal.

The Kosas, Basutos and Bechuanas underwent a different process of transformation from tribe to narodnost, but nonetheless the process was concluded by the beginning of the twentieth century. This process is generally different for each people, and to give a general picture of the formation of the different narodnosts on the African continent the history of each people would have to be studied individually.

But not all the African people went through this process before the end of the nineteenth century, i.e. before European colonisation. In many regions, far from being any nations there was not even as yet a narodnost. Colonialisation found them at the stage of the primitive community with the characteristics of tribal organisation.

Colonialisation interrupted the natural course of the history of the African peoples and twisted the process of their ethnic development. At the present time it is very difficult to get a full appreciation of the stage of ethnic development reached by the African peoples. One thing only is clear: the process continues. In some regions the tribes are changing into narodnosts and in others existing narodnosts are becoming nations.

How to Study the Changes

I will now look at the methodology of the investigation of this process which I used as a guide in my work.

The first criterion of a nation is a common territory. That is why a study must start by working out the frontiers of the territory of the emergent nation, which must itself be based on the linguistic classification of the peoples. Here we find an obstacle that is difficult to overcome because there is not yet any unified and universally recognised classification of African languages. Each linguist puts forward his own classification, and I rather think that each seeks to outdo the other in producing a classification as complicated and imposing as possible. Johnston estimates that there are 226 Bantu languages; Van Bulk discovered 518 in the Belgian Congo alone, and it is further estimated that there are 700 or even 800 in the Sudan.

The linguistic map of Africa bears thousands of names indicating different languages. I am not a linguist but an historian, sociologist and anthropologist. It is difficult for me to criticise existing language classifications. I would, however, assure you that the real linguistic map of Africa is simpler than the linguists have tried to suggest. It is true that the linguistic divisions are a fact, and one which no scholar can deny or ignore since it is an irrefutable proof that for most of Africa neither nations nor narodnosts have yet emerged. The linguistic divisions reflect the tribal divisions of the people.

However I am equally certain that the picture of linguistic divisions given by the language specialist derives from their conventional linguistic approach to the work of classifying languages and their ignorance from the historic point of view. The development of languages follows the evolution of the tribal languages, then those of the narodnost and finally of the national languages. At a particular historical stage in the evolution of society the tribal languages become territorial dialects of the language of a particular narodnost, which later becomes the language of a nation. I don't think that the linguists take this important transformation sufficiently into account and continue to consider tribal and territorial dialects as independent languages.

At all events the assistance of linguists is essential in working out the territorial community of the nation. We can say here in general that any serious study of the formation of nations requires the co-operation of various specialists—historians, ethnographers, linguists and economists.

A further difficulty in defining the territorial community of a nation is that colonial frontiers do not correspond to ethnic frontiers. Many peoples, speaking the same language or languages so similar to each other that they can be con-

sidered as dialects, are cut in two by colonial frontiers, and different groups of the same people can be found in different colonies. This artificial division of the colonial frontiers is an especially great obstacle in the way of nations in formation, and especially in the case of neighbouring colonies belonging to different countries pursuing a different policy concerning the development of language and of culture. The most striking example is probably that of the Somalis who live in Somaliland under Italian, French or British domination or in that part which is included in Ethiopia. It is obvious that such a people cannot form a nation as long as the colonial frontiers which cut them into several pieces remain. The fact must not be excluded that the prolonged existence of such frontiers can divide a people into several related nations, i.e. separate nations can emerge in each portion formed by these frontiers. The history of mankind gives examples of a narodnost divided into several nations by reason of peculiar conditions. My own country is one. A long time ago, between the eighth and twelfth centuries approximately, there was a single old Russian narodnost with a common territory, language and culture. Later, different conditions determined by history and external factors in particular saw it divided into three parts, from which emerged three nations: Russia, Byelorussia and the Ukraine. Now each has its own national state.

There is another question in connection with the determination of a common territory. Following their policy of indirect government, the colonial powers keep the divisions into kingdoms, sultanates and chiefdoms. This is a particular form of feudal division which does not divide the common territory as it does not hamper the popular relations or the moving of people from a kingdom or sultanate to another. However, it prevents other criteria of the nation from maturing, and as a result is an obstacle to its formation.

A Common Literary Language

Another characteristic of the nation is the community of language, the existence of a common literary language.

The object of the study of these criteria is to find the lines following which the languages develop, their structure becomes simpler and the tribal languages become territorial dialects.

The language of a narodnost or national language comes into existence when one of the neighbouring tribal languages, for a number of reasons, succeeds in spreading more widely than the others, becoming an inter-tribal language which sup-

plants displaced languages. Through its triumph over the other tongues, this language becomes the literary language.

The course taken by this process is, due to historical conditions, very long, and wholly new in the African countries.

The major obstacle in the path of the creation of a single national literary language derives from the fact that the "official" language of the country is the language of the metropolitan country, English, French etc., and not the vernacular tongue. This is the language used for communication between people of different tribes speaking various tribal languages. This is the language of all gatherings, newspapers, radio stations etc. Scientific and fictional works by African authors are written in this language. An African wishing to make his way in the world beyond the confines of his tribe must firstly know the official language.

There are a good number of other difficulties confronting the formation of a national language. One is the ignorance of the mass of the people and thus the absence of a need for a literary language. A further difficulty derives from the feudal divisions which I have described earlier based on tribal particularism, the rights of the oldest tribesmen, an excessive devotion to local factors and sometimes a suspicion of anything concerning other tribes.

All these reasons show that the diversity of languages is of no value, since it holds up the development of a single national language based on one of the tribal languages.

Can a metropolitan language become a national language? Theoretically one cannot exclude such a possibility. Several English- or French-speaking nations can emerge. This does not contradict the interpretation of the term nation which I have put forward. Every nation must have a language common to all its members, but there is no reason why every nation should speak a different language.

The theoretical possibility therefore exists of the African nations being formed on the basis of European languages. This is, however, no more than a possibility which can scarcely become a reality.

As I have already said language is the mirror of the soul of a people. It is only in his mother tongue that man can fully express his real self. Language is an aspect of the culture of each people. Even the most perfect translation is no more than an imperfect copy of the original.

It is quite natural that the people should zealously conserve the right to speak their mother tongue.

I have dealt so far with the difficulties in the way of the development of African languages. There are, however, numerous other circumstances which help this development. In the first place there is the growth of the towns and the concentration therein of people belonging to many different tribes. A mass movement in search of urban employment influences the development of the languages by bringing them in contact and by mutually enriching their vocabulary and lessening the phonetic divergences.

In the last few years one has seen a growing interest amongst African intellectuals in linguistic problems. Associations for the development of African languages have been established. In some regions the question of standardising the writing of related languages has already been discussed. All this shows the extent of the national awareness, which reflects the objective process of national formation in the minds of the people.

Community of Culture

The third criterion of a nation is community of culture. The African peoples have created their own original culture for centuries—music and dance, songs and stories, sculpture and painting—their own clothes, buildings etc. The cultural heritage of past centuries is great and remarkable. This heritage represents a very rich store-house for the formation of national cultures.

Colonialisation has brought together in Africa two very different cultures—African culture and European culture. In some ways European culture was more advanced than the African. The Africans have assimilated something of this culture, and they should not reject the good elements which it contains.

However, this has come about in conditions wholly unfavourable to the development of African culture, which has been pushed into the background. Certain forms of African art and, in particular, certain artisan occupations have been forgotten and allowed to perish, while others have been adapted to European taste.

At the present time there are three different opinions amongst African intellectuals concerning the future paths of the development of African culture. Some would like to make European culture the basis of African national culture and forget the cultural heritage of the people. They describe themselves as progressive although to tell the truth I see nothing very progressive in it. Others would like to develop traditional African culture and assimilate nothing of European culture. This group calls itself traditionalist. Finally, the third group which describes itself

as neo-traditionalist proposes to establish a national culture on the basis of a reasonable combination of elements from both African and European cultures, taking the traditional African culture as a basis.

This reminds me of the controversy around the Russian national culture in the nineteenth century. One section of the Russian intelligentsia considered the original Russian culture as backward and almost barbarian—preferring even to speak French rather than Russian. They suggested importing Western culture and their representatives were called “zapadniki” (Westerners) as a result. Another part of the Russian intelligentsia praised everything which was originally Russian and Slav in general, including the backward aspects of Russian culture of the time. They suggested closing the door against Western influence and constructing a wall separating the country from the rest of the world. This group called themselves the “Slavyonophiles”. The Russian people did not take either of these two ways. It built its national culture on the basis of its cultural heritage, and took from the West what it considered worth while.

The national culture of the African peoples is developing in incomparably more difficult conditions, especially in the countries where a policy of artificial assimilation is in vogue. There the peoples have to defend their right to a free development of their culture.

Anyone studying the cultural community of a nation in formation encounters complex problems. Culture itself is a complex and many-sided phenomenon. It includes everything that is created by the hand of man as well as his brain. National culture includes many local characteristics. These local peculiarities exist even in the culture of old nations formed a long time ago. They have their origin in the local characteristics of the economic activities and the geographical situation and are therefore inevitable. It is natural they take an important place in the culture of nations in formation.

The tasks connected with the study of the process of formation of the cultural communities of the African nations are particularly complicated by reason of the specific conditions in which these nations are formed. The task of the scholar consists essentially in the necessity to isolate from the immense variety of forms taken by the culture of a particular people those which have already become the property of the whole people and which have lost their local character. This task includes determining what forms of the European cultures are already firmly rooted in the customs and awareness of the people, and

which are only a temporary and superficial pastime of a part of the population.

Here I am touching on a critical question. Is it possible to speak of the existence of a national culture if there is no more or less developed literature in the national language and if there is not as yet any graphic art, music or professional theatre? I do not think that is possible. The absence of these expressions of culture shows that the national culture is not yet in existence. There is a popular culture and a folklore. There are the materials which will serve to build a national culture. But the culture itself does not yet exist.

Only literature (novels and poetry etc.) and its more or less wide popularity amongst the masses completes the process of formation of a national language as the main expression of the national culture. Only the creation of professional art gives the national culture its perfection of form, its specific colouring and its truly national characteristics. If we try to estimate the level of development of the African on this criterion, we will have to recognise that the national culture of a good many of the African peoples is still at a certain stage of its development in spite of all the richness of its cultural heritage.

The Economic Community

Let us look now at the methodological considerations in connection with the last criterion of the nation, the economic community. The economic community of a nation comes into existence at the same time as a national market makes its appearance; if there is no national market there is no nation. In consequence study of this criterion comes back to the study of the national market. It is a purely economic problem. The main conditions needed for the formation of a national market are the geographical division of labour and the existence of developed exchanges on a profit basis within a capitalist mode of production.

Even a superficial knowledge of the economy of the African countries will show the presence of these conditions although not everywhere developed to the same extent. For example, capitalist exchanges in the African world are still relatively few and in some regions are still only at their beginning.

To my knowledge it can be said that the question of the formation of the national market is still completely unexplored. I do not know of any

books devoted to this question. We know what is produced and where it is produced. We know what products and in what quantities are exported abroad. We know fairly well the foreign economic bonds but we know nothing practically of internal economic exchanges. It is to be hoped that economists will eventually study these internal relations.

As sparse as our information may be we can say that most of the African countries have no national market as yet or at the most they are only beginning to have one. To determine the degree of development of the national market it is necessary first to find the answers to two questions: 1. What part of the production is sold, i.e. what part takes the form of productive links giving rise to profit? 2. What part goes to the internal market and what part is exported? The economists of U.N.O. have made approximate calculations for some countries and I will mention the book *The Enlargement of Exchange Economy in Tropical Africa*, 1957. From these calculations one can see that in certain countries a considerable part of production is already transformed into profit, but it is mainly exported abroad. This is one of the characteristics of colonial economy. The colonies have become suppliers of raw materials for the metropolitan countries. This fact holds back the formation of a national internal market and thus hinders the development of the process of the formation of a nation.

* * *

The formation of the nations is accompanied by the development of national consciousness of belonging to the same people, and an awareness of national interest. Where nations have already taken shape each person is aware of belonging to a nation and is proud of it. The feeling of national pride is one of the deepest human feelings; an insult to national dignity is always taken as a personal insult.

The study of the process of national formation should include the study of national consciousness. One should point out how the consciousness of belonging to a tribe is replaced by the feeling of belonging to a larger ethnic community; how the people realise themselves to what nation and people they belong, how strong is the feeling of national dignity etc. But this is essentially a special and scientific problem which calls for special methods which I have no room to explain here.

Academic whitewash

R. Page Arnot

WHO and what was James Ramsay MacDonald? What was Philip Snowden—once known in the North of England as “Coom-to-Jesus Philip” and latterly as Viscount Snowden of Icornshaw? Who was Jimmy Thomas? These questions are being asked today by a generation that knew neither James nor Jimmy nor Philip, a generation of trade unionists born since their demise and for whom the familiar “Mac” means the present Prime Minister. The usual short answer as given by any of their seniors would be that these men were traitors to the Labour movement: in that as leaders of the Labour Party they had betrayed their followers and at a moment of crisis had crossed over to the opposite camp. If anyone wanting a more detailed answer were to re-read what was written or spoken in the Labour Party of twenty to twenty-seven years ago they would find the case put in still stronger utterances. It was, declared Clement Attlee (now Earl Attlee), “the greatest betrayal in the political history of the country”. Indeed in some of these earlier utterances MacDonald was painted in such glowing black colours that the later Labour leaders appeared super-white by contrast. During and after the war, however, it seems to have been felt, especially in these last dozen years, that no very useful purpose was served by recalling too minutely what had happened the last time (in 1929-31) that a Labour Government was in office.

Now, these many years afterwards, when the names of the Labour leaders who followed MacDonald are themselves beginning to be forgotten by the mass of the people, an attempt has been made in a recent book¹ to reverse the verdict on Ramsay MacDonald and his associates. The book is by Reginald Bassett who holds a “Reader-ship in Political Science” at the London School of Economics and who believes that a myth has been built up around the political crisis of 1931: this myth he seeks to demolish by showing that the other leaders of the Labour Party, the other ministers, had committed themselves to policies for which they afterwards laid the sole blame upon MacDonald and Co. He is assiduous, industrious, slowly plodding on like a basset hound after badgers: and seems to be unaware that one effect of his stirring up these old controversies is to reveal the seamy side of capitalist parliamentary

democracy and also to confirm the accuracy of much Communist criticism directed then against Henderson & Co. and conveniently “forgotten” since.

But while Mr. Bassett has many of the virtues of the dog whose name he bears, he has the disadvantage of appearing as a quixotic defender of MacDonald.

The Rescue of Dulcinea

Readers of Cervantes' great work will remember how Don Quixote de la Mancha sets out to rescue persons in distress as a knight errant: and how in his imagination he transforms a very ordinary girl of the village into a character of surpassing beauty and goodness and calls her by the name of Dulcinea del Toboso. So with Mr. Bassett the former Prime Minister's reputation takes the place of Dulcinea del Toboso: it has to be rescued from the evil imaginings of his Cabinet colleagues and the subsequent chroniclers.²

What were the main events of 1931 and what was their background? The immediate background was the world economic crisis that began with the panic crash of the New York Stock Exchange in October 1929: it was four months after the second Labour Government had taken office in June 1929, following a general election from which they emerged with 288 seats in the House of Commons, while the Tories had 260 and the Liberals 59. The world economic crisis brought problems including increased mass unemployment which the Labour Cabinet proved incapable of solving: and for which they proposed, in the main, well-worn capitalist measures, including the plans of the Chancellor of the Exchequer, Philip Snowden, whose outlook on finance had become largely that of the Liberal bankers in the City of London.

After many months of increasing destitution, Snowden, faced by an approaching deficit, accepted on February 11th, 1931, the Liberal proposal for an independent committee to suggest cuts. This

² The perils that beset the path of Don Quixote were ascribed to the work of wicked sorcerers and evil enchanters, some of them from beyond the seas. But Mr. Bassett finds them in teaching posts in his own common room: for the London School of Economics and Political Science has had on its staff Attlee, Hugh Dalton, Harold Laski, surely myth-mongers all if not evil enchanters. So, laboriously, in nearly a hundred pages of appendices, Mr. Bassett pursues them and above all Harold Laski; and also Sir Ivor Jennings, R. T. McKenzie, C. L. Mowat and many more.

¹ *Political Crisis* by R. Bassett (Macmillan, 464 pp., 42s.).

was the May Committee of seven members, two only of whom were Labour in outlook. The May Committee proposed extensive cuts, especially in wages and unemployment benefit. The two Labour members refused to sign. But MacDonald and Snowden from the end of July onwards urged acceptance of these and even more drastic proposals. Practically everything that was afterwards to be denounced was provisionally agreed to in that August 1931 by the Labour Cabinet. The endeavour to cover this up later was one cause of the subsequent bitterness between the MacDonaldis and the rest. The pot, it seemed, was calling the kettle black.

The main object of the ruling class was to throw the burden of the economic crisis upon the working class: and it was openly held and publicly stated that the best way of doing this with the least friction was to get it carried through by a Labour Government. Every possible pressure, including the use of the monarchy, was used for this purpose.

But the counter-pressure exerted by the working class, which was not deceived by "equality-of-sacrifice" chatter, was sufficient to set in motion the trade union organisations; and the General Council of the Trades Union Congress, headed by Bevin and Citrine, pronounced against the proposed Budget measures, especially the 10 per cent cut in unemployment benefits. The sharpened division in the Cabinet, rendered more tense by financial operations against the pound sterling (of a kind with which all are fairly familiar in recent years who have witnessed the U.S.A. bankers operating) resulted first in deadlock and then in resignation. MacDonald was authorised to offer the resignation of the Labour ministry to the King. On August 24th, 1931, he returned from the palace. His Cabinet colleagues were told, first, that His Majesty had accepted their resignation and, second, that he himself had accepted the royal commission to form a "National Government" together with Tories and Liberals in order to keep the pound on the gold standard and otherwise deal with the financial situation. With him went Snowden, Thomas and Lord Chancellor Sankey. This was the switch-over. This it was that caused so many weekly white-washers of MacDonald to become black-washers.

Beatrice Webb, whose husband was a Cabinet Minister, wrote that day in her diary:

"August 24th, 6.30 p.m.—Just heard over wireless what I wished to hear, that the Cabinet as a whole has resigned, J.R.M. accepting office as Prime Minister in order to form a National Emergency Government including Tories and Liberals: it being also stated that Snowden, Thomas and alas! Sankey, will take office under him. I regret Sankey; but I am glad the other three will disappear from the Labour world—they were rotten stuff: each one of them for different reasons."

Then she added the comment:

"A startling sensation it will be for those faithful followers throughout the country who were unaware of J.R.M. and Snowden's gradual conversion to the outlook of the city and 'London Society'. Thomas has never been a Socialist and will probably cease, like other *ci-devant* trade union leaders, to be even formally on the side of the Labour movement. So ends, ingloriously, the Labour Cabinet of 1929-31. A victory for the American and British financiers—a dangerous one, because it is an open declaration, without any disguise, of capitalist dictatorship; and a brutal defiance of the Labour movement" (p. 283).

"Every Duchess . . ."

It was of the next day that Snowden in his *Autobiography* relates the following famous story:

The day after the National Government was formed he (MacDonald) came into my room at Downing Street in very high spirits. I remarked to him that he would now find himself very popular in strange quarters. He replied, gleefully rubbing his hands, "Yes, tomorrow every duchess in London will be wanting to kiss me!"

Mr. Bassett, ever ready to defend his Dulcinea, tries to destroy the effect of this oft-quoted passage by suggesting that Snowden wrote "when he had become an extremely embittered man". But that was "our Philip" all over. The first time I heard him speak was on the Old Age Pensions Bill in the House of Commons in 1908, and I well remember Lloyd George's reply, describing the "acrid ferocity" of Snowden's speech. Mr. Bassett's further suggestion that MacDonald may have spoken in jest and that Snowden's sense of humour "was for the time being in abeyance" would sound plausible if MacDonald's preference for the company of noble lords and ladies had not already been much remarked upon amongst his colleagues. Five years earlier, at the Margate Labour Conference, Beatrice Webb recorded in her diary on October 12th, 1926, an exchange with Earl De La Warr about MacDonald's behaviour:

"J.R.M. is *not* a snob", said that charming boy De La Warr to me, "but he genuinely prefers the aristocrat to the proletarian as everyday associates."

No more need be said about the "every Duchess" story (which was touched on only because it exhibits not only two chief actors but also the posthumous devotee and idolater) except, perhaps, that when first read it recalled that dreadful saying about Labour leaders of another duchess to old H. M. Hyndman, "You train 'em: we buy 'em".

Let us see what happened after MacDonald, who was to remain Prime Minister till 1935, had constructed his Cabinet with the help of Baldwin and Samuel. The new "National Government" was to keep the pound on the gold standard: its

proposals caused the Invergordon mutiny in the Navy: and within a few weeks the pound was off the gold standard. The new Cabinet was to be temporary until the crisis was overcome, when the parties in it would separate and fight a general election which was a long way ahead: by October 5th Parliament was dissolved and the "National Government" parties were fighting the election together. The election resulted in an overwhelming defeat of the Labour Party, which got only forty-six seats against 556 for the supporters of the "National Government"—but of these only a baker's dozen of thirteen were the muster of MacDonald and his direct "National Labour" following. The only ex-Cabinet minister returned was George Lansbury, who became leader of this dwindled Labour Party. The only ex-ministers back were Attlee and Cripps. The Labour Party survived, put on a hundred at the 1935 general election and had an overwhelming electoral success in 1945. But for the Liberal Party 1931 was a shattering experience. Within weeks it was three-ways split: within a year the Samuelite section was out of the Cabinet: and today there are less than a dozen of them in the House of Commons. So much for the events of the year 1931, which exposed the rottenness not so much of persons as of the whole parliamentary party system.

Our Don Quixote, bent on the rescue of MacDonald's reputation, rides on through the dark wood of 1931 with none to be his guide but the newspaper editorials. Of these the chief is *The Times*, which is quoted again and again. It never seems to occur to Mr. Bassett, as it certainly never occurred to the knight who idolised Dulcinea del Toboso, that the ostensible object of his quest is less important than his much-quoted guide. Yet the main quality of Mr. Bassett's book is that it describes how, in a period of economic crisis, the capitalist campaign was waged to evoke political crisis and thereby to break or bend the Government. In the forefront of this campaign was *The Times*. Day after day, and especially throughout the summer months, *The Times* of 1931 was the best collective agitator and organiser for the exploiting class. It even drew its rivals such as the *Manchester Guardian* into the campaign—and when the mask was thrown off and the general election precipitated in the hope to cripple the trade unions and smash their political party, then, too late, the *Manchester Guardian* sought to bar the way to the Tories, without perhaps ever realising the extent to which it had been gulled. All this is brought out with startling clarity in many quotations.

The Role of the Monarch

But it was not only a campaign in the columns of the paper. Behind the scenes the editor of

The Times, the late Geoffrey Dawson (who five years after 1931 played such a big part in getting rid of King Edward VIII) was very busy indeed. It was him the Tory leader Baldwin consulted on August 23rd. On that day King George V was to meet his Prime Minister at 10 a.m. Early that morning his private secretary was seeking advice from Geoffrey Dawson, who made notes of it in his diary. Mr. Bassett sets it down thus:

Interesting confirmation is provided by Geoffrey Dawson's diary for August 23rd. When consulted by Wigram early that morning about the King's imminent interview with MacDonald, Dawson himself urges that "it was everything to get a plan of national economy put out in public by a Labour Government, since it was the only course that would have a permanent effect in reversing a policy of extravagance", and he "respectfully suggested" that the King should impress upon MacDonald that "it was his business to get the country out of the mess" and should "dwell, with any flattery that he liked, upon the opportunity and the responsibility".

So, in his interview with MacDonald, the King should "dwell, with any flattery that he liked, upon the opportunity and the responsibility". What a commentary upon the Prime Minister! What a commentary upon the monarch! Each of them treated as marionettes. But it was Sir Herbert Samuel, meeting the King two hours later (in his well-known role of Sir Pandarus of Troy) who clinched the matter: best, to get the cuts through the means of a Labour Government, otherwise by a National Government. Private Secretary Wigram recorded at the time:

It was after the interview with Sir Herbert Samuel that H.M. became convinced of the necessity for the National Government (p. 131).

Much ink has been spent on the behaviour of King George V and his Prime Minister on that August 23rd and 24th: Mr. Bassett adds to it by a lengthy appendix on "The Monarch and the Crisis", discussing the views of Laski and Herbert Morrison and others. None of this amounts to a row of beans. Had it been raised as part of republican propaganda against a detested institution, there would have been an interest in it. But nearly everybody kept within the bounds of an argument about "constitutionality" as though they were members of a Board of Rites under the Ming dynasty. The fact is, as shown above, that the King was a puppet and not a puppet-master in the 1931 crisis.

"Moonshine" indeed is a possible description of much recorded and argued about in this book, or indeed in many other books that have dealt with the 1931 political crisis. The matters dealt with are not unreal: but they are secondary effects—

like the moon shining with reflected light. Yet, away from the immediate background, what a profound understanding of causes and effects can be yielded by a study of 1931. The deeper background is the twentieth-century development of monopoly capitalism leading to imperialist war, to an epoch of war and revolution, to the general crisis of capitalism. Against the deeper background there could be traced the dominant opportunist trends in the Labour Party and its constitutional bodies that brought about the real "greatest betrayal in the political history", when most of the socialist leaders of Europe in 1914 broke their pledges and hounded the workers into the slaughterhouse of 1914-18. MacDonald had been the main voice of that opportunist right wing from the beginning of the Labour Party, right up to the moment in 1931 when it worked out to its logical inevitable conclusion. Long before that first disastrous prime ministership in 1924, Lenin in July 1919 had given out of his close knowledge of the man an exact description of one of his writings, saying:

Ramsay MacDonald's article is the best example that could be given of that smooth, melodious, banal, and socialist-seeming phraseology which serves in all developed capitalist countries to camouflage the policy of the bourgeoisie inside the Labour movement.

It is not a chance contrast, between the names of Lenin and J. R. MacDonald or between their two parties, each formed at the beginning of this century. The Russian Social-Democratic Labour Party (now the Communist Party of the Soviet Union) led by Lenin got rid of landlordism and capitalism over forty years ago in what had been tsarist Russia. The Labour Party, led by MacDonald, proved unable to solve the crisis of thirty years ago in the interests of the working class: and was brought near to parliamentary extinction when its leaders insisted on a solution in the interests of landlords and capitalists.

The 1931 crisis solved nothing for the Labour Party. For though MacDonald went, MacDonaldism remained. After these many years it still remains with us, and so do the landlords and capitalists.

Contributions to the discussion on

“Whither Trade Unionism?”

Dave Bowman

IN the August issue Pollitt asks in his article “Whither Trade Unionism?”: “What justifies three railway trade unions?” (Actually if we include the railway workshops there are many more.) Well, some people think they have the answer.

I can remember at the Trades Union Congress in 1957, Webber, the General Secretary of the T.S.S.A., and Hallsworth, the General Secretary of the A.S.L.E. & F., speaking against an N.U.R. resolution which asked the General Council to “examine the structure of the trade union movement”.

Then, Webber made a strong speech for the acceptance of “spheres of influence” in the railway industry, i.e. the perpetuation of the three trade unions on an agreed membership basis. Hallsworth asked for the rejection of the resolution “. . . in order that locomotivemen can be in the appropriate union with the economic strength when necessary”.

They were of course speaking for their organisations. At the last two annual conferences of the T.S.S.A. closer working with the other two unions had been turned down. At the 1957 A.S.L.E. & F. annual conference, during a debate on closer working next business was moved and carried.

In the past many attempts have been made for closer working with some measure of success. There was the National Joint Committee of the three unions set up in the early 1940's which decided united policy on major questions. In the last few years unity has been gained from time to time during wages claims.

However, it must be admitted that the background, plus the present position, clearly indicates no lasting official break has been made in the barriers which separate the unions. However, I must add, that in my own experience in the last few months the majority of railwaymen, and this now applies particularly to members of the A.S.L.E. & F., are for union unity on the railways.

I am confident the main reason for this is the present circumstances in the railway industry. The

effects of the modernisation plan plus the drastic economies are now being felt in every area. Everywhere there are fewer jobs, employees being asked to change their grade or get out.

Recruitment and promotion have been virtually halted in all regions. Unemployment is now rearing its head.

The fight for railway trade union unity is therefore taking place in entirely different conditions. British railways have never experienced the present mass "uprooting" which will continue on an increasing scale. Not even in the bad 'thirties.

Despite all the denials facts bear out that the leading bodies of the three trade unions, by their actions, are accepting the principle of Sir Brian Robertson of "Less workers—higher wages". Or, as Pollitt more realistically puts it, "You get your wages up at the expense of your mate's job."

The fight against this "Ten Green Bottles principle" is an immediate one and Pollitt correctly calls for "a new class understanding and reorganisation to come in the first place from the depots and local and divisional trade union organisations".

However, the big question we must face on the railways is: What do we mean by railway trade union unity? In my experience I find many well-intentioned people who talk of a federation of railway unions, similar to the Confederation of Engineering Unions. A lesser number of people who still hang on to the old "spheres of influence" principle.

I cannot believe that either of these will bring railway trade union unity or would even be a step towards it. The present ugly railway position, and what we can see developing, requires positive action against redundancy and promotion stagnation, for the forty-hour week, for wages increases to maintain living standards. This can be speedily won given united action by the industry as a whole.

Little more than a year ago, the late Jim Campbell wrote two articles in the *Railway Review* giving his idea of how one union could function for the railway industry. This was based on a four-pillar structure—locomotive, clerical, shops, traffic and goods—each with approximately 150,000 members. These four sections would have a certain amount of autonomy in dealing with grade questions, but the national executive drawn from these sections would determine national railway policy.

I believe this is the bones for a 600,000 railway union whose influence would be felt not only in the railway industry but in the general councils of British trade unionism.

In the present circumstances a heavy responsibility rests on the left Labour people and the Communists. We must speedily determine the road we are to travel. I for one agree with Pollitt: there is no justification for three railway trade unions. In

the struggle for socialist nationalisation, for winning higher wages and the shorter working week, *one railway union is a necessity.*

A. H. Legge

OUR experience has driven us to the same conclusions that Comrade Pollitt has outlined in "Whither Trade Unionism?"

Nevertheless we should like to stress and reinforce the principle of one trade union for each main industry.

To do this we shall confine this contribution to our own industry, i.e. power (Electricity Supply Industry).

During the discussion of day-to-day problems on the job and at branch meetings and always in times of stress the most frequent comment, common to the most varied individuals, is "why not one union?"

The resultant discussion on the job or at the branch is always intense and unanimous in favour of one union for the industry. The ordinary non-active trade unionist invariably means the merging of the existing unions in the industry by agreement.

With the active and semi-active members the decision is not so forthright; there is a tendency to be loyal to the union to which they belong, which places them at the mercy of the vested interests and careerists within the respective unions.

This is the main obstacle and is impregnated as firmly in the so-called right-wing unions and the left; the general workers' unions, and the craft unions.

Poaching is an outcome, and *false claims of monopoly.*

Of course the greatest obstacle of all is underlined by Comrade Pollitt, lack of sufficient unity on the job, and he stresses perfectly that good organisation on the job would not tolerate bad organisation at the top.

Before I conclude I want to suggest that merging is the most practical method of establishing one union in an industry.

Let us take the power industry as an example: it has very efficient joint negotiating organisation on the trade unions side, four unions, i.e. Transport and General Workers, Municipal and General Workers, Electrical Trades Union and the Amalgamated Engineering Union.

These four unions have voting power on the National Joint Industrial Council proportional to the members they represent in the industry, and this factor at times can be detrimental to the workers represented.

Therefore, you will discern, it would not be a complicated process to bring about a merger in this industry; the figures represented are always immediately available, the number of organisers from each union participating in the negotiating work is known.

Every union can calculate at a moment's notice the finance per head, per member, so that the financial contributions to the merger are just a matter of simple arithmetic.

If the responsible representatives of these unions are concerned about the real interests of their membership, then one union for our industry could be established now.

I have only to add in complete agreement with Comrade Pollitt, that all this and more can only be brought about by a real socialist impetus, which means more political work in the trade unions.

John Sherriff

WITHIN the Amalgamated Engineering Union some of the problems posed by Harry Pollitt are of paramount importance. The Union has probably the most democratic structure of any in the world, yet, because of the inability to date of the rank and file availing themselves of this democracy, officialdom can and does stultify many expressions of it. Experience in Glasgow would appear to be duplicated elsewhere and leads one to consider that officialdom is at one with the Labour Party leadership in maintaining the *status quo* with the British ruling class and in classing progressive opinion as heresy.

A campaign for greater organisation was launched in 1957 but in Glasgow to date nothing has been done to implement it. Weather improbabilities were blamed for non-activity in the winter, but when no actual preparations are made one must suspect that a campaign involving physical and mental energy is the last thing desired up here.

And such a campaign is necessary. Small attendances have been the bugbear of branch life for many years. With the creation of large dormitory suburbs this problem has become aggravated and it will be necessary to create new branches or to transplant old ones into these suburbs. Alongside

this much agitation will be necessary to make these branches part of the life of the community. To me it is criminal that communal services can be cut, that rents can be raised, that transport can be cut and fares raised all without protest from any trade union organisation directly concerned.

At the recent Rent Inquiry held in Glasgow I was the only member of my union present to make a protest. Yet the rise in rents which will follow this inquiry might approximate to a 2d. or 3d. per hour cut in wages, and with properly organised trade union branches in the affected areas leading the protests I am sure there would have been no question of any rent rise.

Despite much union money being expended on education over a period of years a look at the syllabuses of such schools makes one realise why a campaign of recruitment is necessary in factories and shipyards. Very little mention is made of the history of trade unions or the need to explain nationalisation in the interest of the working people of Britain. On the contrary, the emphasis is on industrial production, time and motion study, industrial relations, and nothing on the actual advancement of the trade unionists themselves as a class. What impact can students of this type make on the factory worker when all a sojourn at school does is to make them sympathetic to the rate-fixer and only prepared to argue as to whether one second or two seconds on a job is correct? Surely the employer is as well equipped to finance such teaching as the trade union is? To date I've seen no instance where such training benefited factory organisation.

A system of trade union education which would extend right down to factory and branch level and comprising the type of economics which justifies trade unionism allied to a political outlook based on trade union experience would justify the expense incurred by the results within the union. It would also torpedo without trace the insidious propaganda of the Roman Catholic Church which, if pursued to its logical conclusion, would mean that the trade union is unnecessary.

With the press, in the main, the radio and TV, all aligned against any expressions of working-class advance, the need to improve trade union organisation is necessary and urgent.

LAWRENCE & WISHART

THE LAW VERSUS THE TRADE UNIONS

*D. N. PRITT and
RICHARD FREEMAN*

*Milestones on the road
from Tolpuddle. . .
the story of great legal battles
to establish the right
to combine, the right to strike,
the right to picket. . .
a book of importance
for all trade unionists.*

10s. 6d.

October 9

THE COMMONERS OF ENGLAND

*The Unsheathed Sword: Part I
H. FAGAN*

*Episodes from the common people's
fight for freedom and justice
up to the time of the English
Revolution.
The author's popular style
makes this book
an ideal introduction
to the other side of history
as taught in schools.*

*7s. 6d. paper covers
10s. 6d. Library edition*

October 23

New Records from the Soviet Union



DOLUKHANOVA

Schumann: Frauenliebe und
Leben

Moussorgsky: Aria from
"Khovantschina"

DAVID OISTRAKH

Glazunov: Violin Concerto
Op. 82

RICHTER

Prokofiev: Piano Concerto
No. 1, Op. 10.

Send 3s. for

*Collet's New Releases and
Re-issues*

for the next twelve months to:

**COLLET'S HOLDINGS
LIMITED**

**44-45 Museum Street,
London, W.C.1**